

APPRAISAL REPORT  
OFFICE BUILDING & ADJACENT SITE



PROPERTY OF:  
191 MAIN STREET SOUTH LLC & PECK AND MAIN LLC

VALUATION DATE:  
8/06/2018

REPORT DATE:  
8/23/2018

FOR:  
THE TOWN OF NEWTOWN  
3 PRIMROSE STREET  
NEWTOWN, CT 06470

BY:  
O'NEILL, DUFFY & CO.  
259 FRANKLIN STREET  
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# O'NEILL, DUFFY & CO., LLC

REAL ESTATE APPRAISAL & CONSULTING  
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TERRENCE P. DUFFY, MAI, SRA  
MEMBER

(203) 744-3338  
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DATE: 8/23/2018

TO: Town of Newtown  
3 Primrose Street  
Newtown, CT 06470

FROM: Terrence P. Duffy, MAI, SRA

PROPERTY: 191 South Main Street & 61 Pecks Lane, Newtown, CT 06470

In accordance with your request for an appraisal, I have conducted the required investigation, gathered the necessary data, and made certain analyses that have enabled me to form an opinion of the market value of the subject property.

The results are communicated in this appraisal report. Summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value are presented. Supporting documentation concerning the appraisal is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated below. The appraiser is not responsible for unauthorized use of this report.

The purpose of this appraisal is to provide the appraiser's opinion of the market value (as defined in the report) of the subject real property as of the effective date.

The intended use of this appraisal is to assist the client, The Town of Newtown, in making decisions in a possible purchase of the property. Intended users of this report include the client alone.

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## SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

DATE OF REPORT	8/23/2018
EFFECTIVE DATE OF VALUATION	8/06/2018
DATE OF INSPECTION	8/06/2018
ESTATE APPRAISED	Fee Simple
PROPERTY ADDRESS	191 South Main Street & 61 Pecks Lane Newtown, CT 06470
TYPE OF PROPERTY/PRESENT USE	Office Building & Former House Site
CURRENT PROPERTY OWNER	191 South Main Street LLC & Peck & Main
SITE	7.35 Acres & 4.39 Acres Respectively
IMPROVEMENTS	21,184 Square Feet & 1,316 Square Feet
YEAR BUILT	1981 & 1954 Respectively
ZONING	M1, Industrial
TAX PARCEL ID	36/12/8 & 36/12/7
HIGHEST AND BEST USE	Offices & Former Residence

### **VALUE CONCLUSIONS:**

<i>COST APPROACH</i>	N/A
<i>INCOME APPROACH</i>	
191 SOUTH MAIN STREET	\$1,240,000
61 PECKS LANE	N/A
<i>SALES COMPARISON APPROACH</i>	
191 SOUTH MAIN STREET	\$1,270,000
61 PECKS LANE	\$ 455,000

### **FINAL VALUE CONCLUSION**

<b>191 SOUTH MAIN STREET</b>	<b>\$1,270,000</b>
<b>61 PECKS LANE</b>	<b>\$ 455,000</b>

**PHOTOS**



FRONT OF 191 SOUTH MAIN STREET



REAR OF 191 SOUTH MAIN STREET

O'NEILL, DUFFY & CO., LLC

**PHOTOS**



LOBBY



BULL PEN OFFICE AREA

**PHOTOS**



PRIVATE OFFICE



CLIMATE CONTROL ROOM

**PHOTOS**



SHOP AREA



LAVATORY

**PHOTOS**



SOUTH MAIN STREET, LOOKING NORTH



SOUTH MAIN STREET, LOOKING NORTH

**PHOTOS**



61 PECKS LANE - FRONT

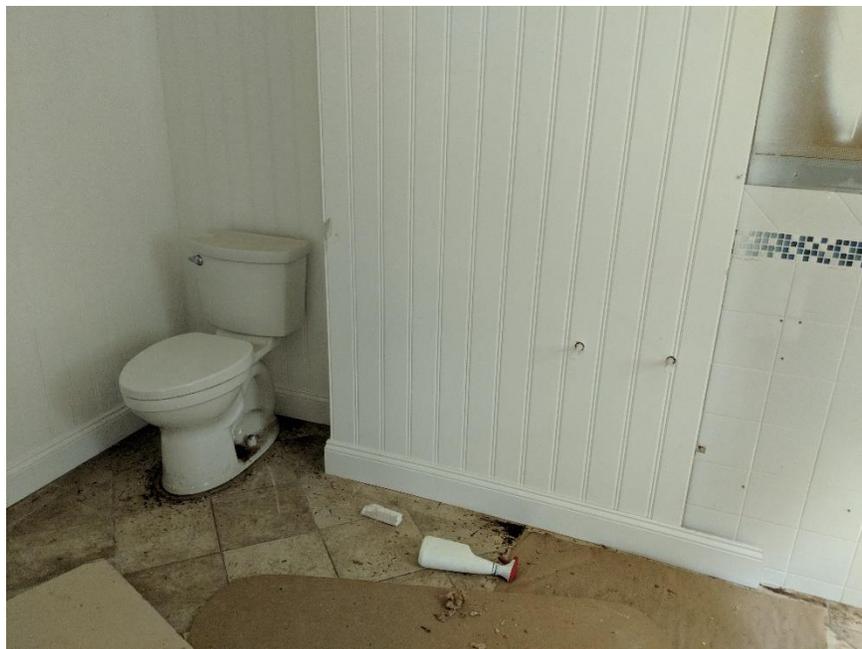


61 PECKS LANE - REAR

**PHOTOS**



INTERIOR FORMER RESIDENCE



INTERIOR OF FORMER RESIDENCE

**PHOTOS**



WETLANDS ON SITE - 61 PECKS LANE



OUTBUILDING ON SITE

**PHOTOS**



PECKS LANE, LOOKING EAST



PECKS LANE, LOOKING WEST

## **CLIENT, INTENDED USE AND INTENDED USERS**

The appraiser's client for this assignment is The Town of Newtown. The client is the only intended user of this appraisal report.

This appraisal is intended to provide an opinion of the market value of the subject property, as defined in this report, for the exclusive use of the client and any other specified intended user(s) of this report. The intended use of the appraisal is to assist in the client's decision-making process regarding a possible purchase.

The use of this appraisal by anyone other than the stated client and intended users, or for any other use other than the stated intended use, is prohibited.

## **TYPE AND DEFINITION OF VALUE**

This appraisal report is being performed to determine the Market Value of the subject property in fee simple, in "As Is" condition, as of August 6, 2018.

Market Value is defined as:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.

Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;

2. both parties are well informed or well advised, and each acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(Source: Office of the Comptroller of the Currency under 12 CFR, Part 34, Subpart C-Appraisals, 34.42 Definitions [f]. Office of Thrift Supervision under 12 CFR Part 564.2 Definitions [f]. Federal Reserve System under 12 CFR Part 225.62 Definitions [f]. Federal Deposit Insurance Corporation under 12 CFR Part 323.2 Definitions [f]. National Credit Union Administration under 12 CFR Part 722.2 Definitions[f].)

## **APPRAISAL DEVELOPMENT AND REPORTING PROCESS - SCOPE**

In Preparing this appraisal, I

- made an interior inspection of the subject real property;
- reviewed information regarding the subject available at the Newtown Town Hall;
- gathered information on comparable commercial building sales;
- gathered information on comparable, rents, operating expenses, and capitalization rates;
- confirmed and analyzed the data and considered the cost, sales comparison, and income approaches;
- applied the sales comparison approach to value;
- applied the sales income approach to value;

Due to the age of the subject and the amount of total accrued depreciation from all sources, especially physical deterioration, the cost approached was considered not applicable and was not developed.

Several recent sales of office and industrial office properties were found in the area. Together, they are considered a good guides to value. This allowed the development of the sales comparison approach.

Adequate information was available to develop an opinion of fair market rent, vacancy rates, expenses, and appropriate capitalization rates. Therefore, it was possible to develop the income approach resulting in a supportable indication of value.

This appraisal report is a brief recapitulation of the appraiser's data, analyses, and conclusions. Supporting documentation is retained in the appraiser's file.

## **INTEREST VALUED**

Fee Simple

*Fee Simple Estate*

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2016).

## **MARKET CONDITIONS**

Newtown, CT is in northern Fairfield County. Based on area, it is the largest municipality of the region. It is, however, primarily a residential community. While there are some significant commercial properties in town, most residents commute to Danbury, CT to the west, lower Fairfield County, CT to the south, New Haven, CT to the southeast, and New York's Westchester County to the southwest. Market trends in Newtown are closely aligned with those of the entire county as a whole.

Newtown is part of the Danbury labor market area (LMA). According to the CT department of labor, this LMA had a labor force of 110,606 and an unemployment rate of just 3.7%. This is the lowest of the 11 LMA of the entire state which has an unemployment rate of 4.5%.

The commercial real estate market has stabilized over the last years. While there has been some retail and user specific medical office development in the area over the past few years, no newly constructed speculative retail, office or industrial space has been built the past few years. This indicates overall soft office market conditions where vacancy rates are not expected to increase, but are anticipated to decline as the economy continues to strengthen.

The most recent improvement along South Main Street is the 2017 construction of the 18,900 square foot Tractor Supply Building at 116 South Main Street. Other developments include multiple tenanted retail buildings at 123 & 125 South Main Street built in 2007 and 2012, respectfully, which total 43,813 square feet.

The most recent improvements in the immediate area of the subject include the 167,124 square foot "Sand Hill Plaza" at 228 South Main Street, 1990, a smaller 38,952 square foot retail center across the street at 266 South Main Street and a 12,496 square foot industrial building at 259 South Main Street that was converted

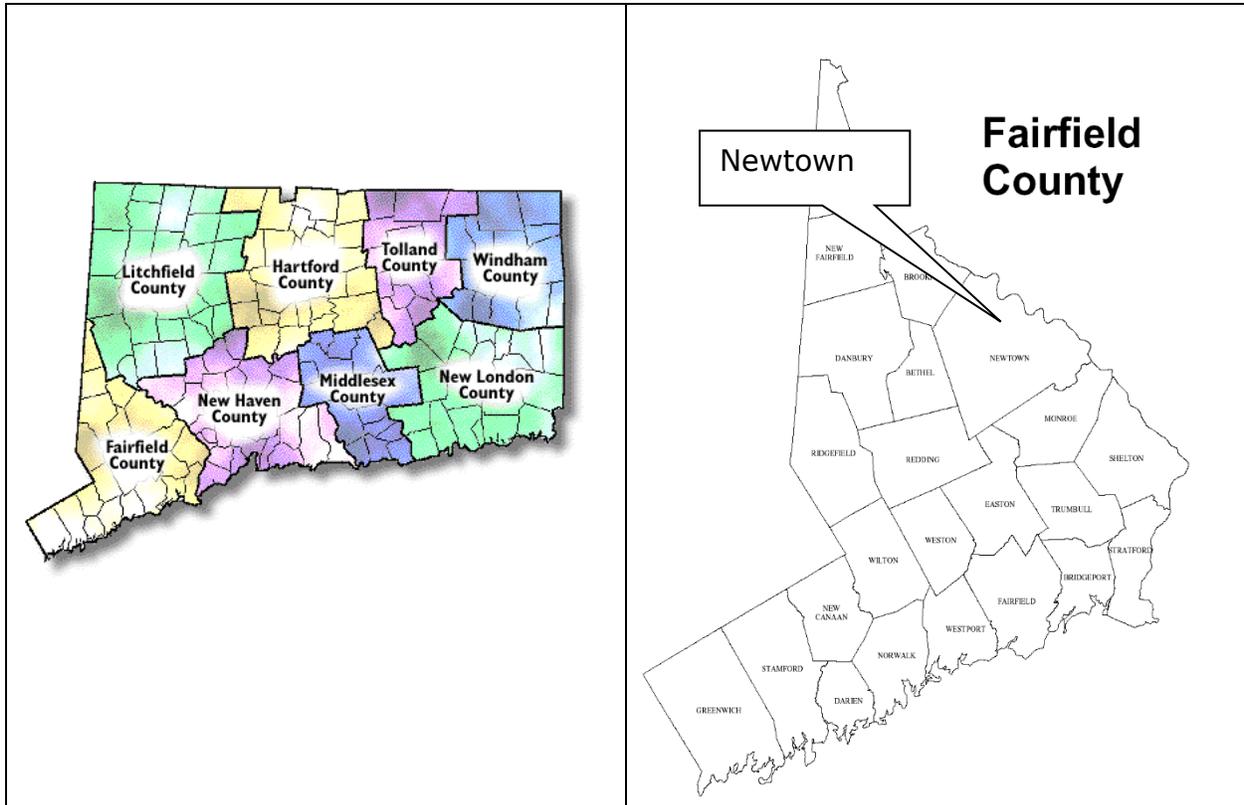
to retail space sometime in between.

## CONCLUSION

This area along Main Street South is experiencing a trend from industrial and residential properties to retail development over the past 30 years or so. This trend is expected to continue in the long term.

## DESCRIPTION OF REAL ESTATE APPRAISED

### LOCATION



### TOWN OF NEWTOWN, CT

Newtown is in the southwestern section of Connecticut, approximately twelve miles north of Bridgeport. With a land area of 57.76 square miles, the town is one of the largest in the state.

Newtown's proximity to the Danbury, Waterbury and Bridgeport labor markets, as well as its accessibility to Interstate 84, Route 25 and Route 34, have made it an attractive residential community.

The population (2012-2016) of approximately 27,990 represents growth from about

20,800 in 1990 and 25,031 in 2000. Newtown is one of the 12 towns referred to as Greater Danbury Labor Market Area, and one of 10 towns in the Housatonic Valley Economic Development Region. Population in the town is expected to decrease at a rate of -0.2% from 2016 to 2020, while the county is expected to increase (0.1%) and the state (0.1%).

Throughout the eighteenth and nineteenth centuries, manufacturing had been an important factor in Newtown's economy. Today, it is a suburban residential community with limited industry that includes agriculture, plastics, publishing, paper board boxes, wire brushes, medical instruments, and warehouse distribution centers.

Newtown is served by a paid town police force as well as five volunteer fire companies. There are two 9-hole golf courses, two state parks, and a theater. The current high school opened in the fall of 1970. There are four elementary schools, a middle school, and a private parochial school.

Newtown residents enjoy three main shopping areas. One is located in the center of town where two major food chains are situated, along with a number of smaller stores. The second area, and oldest, serves the Sandy Hook section of town. The third is situated to the south of the center along Route 25 and contains a large shopping center and a few smaller retail strips.

There are two town parks located in the Newtown area, one being Dickinson Memorial Park where there is swimming, tennis and picnic facilities available. The other is Treadwell Park, which is used as a multi-sports facility. Both parks are open to the public.

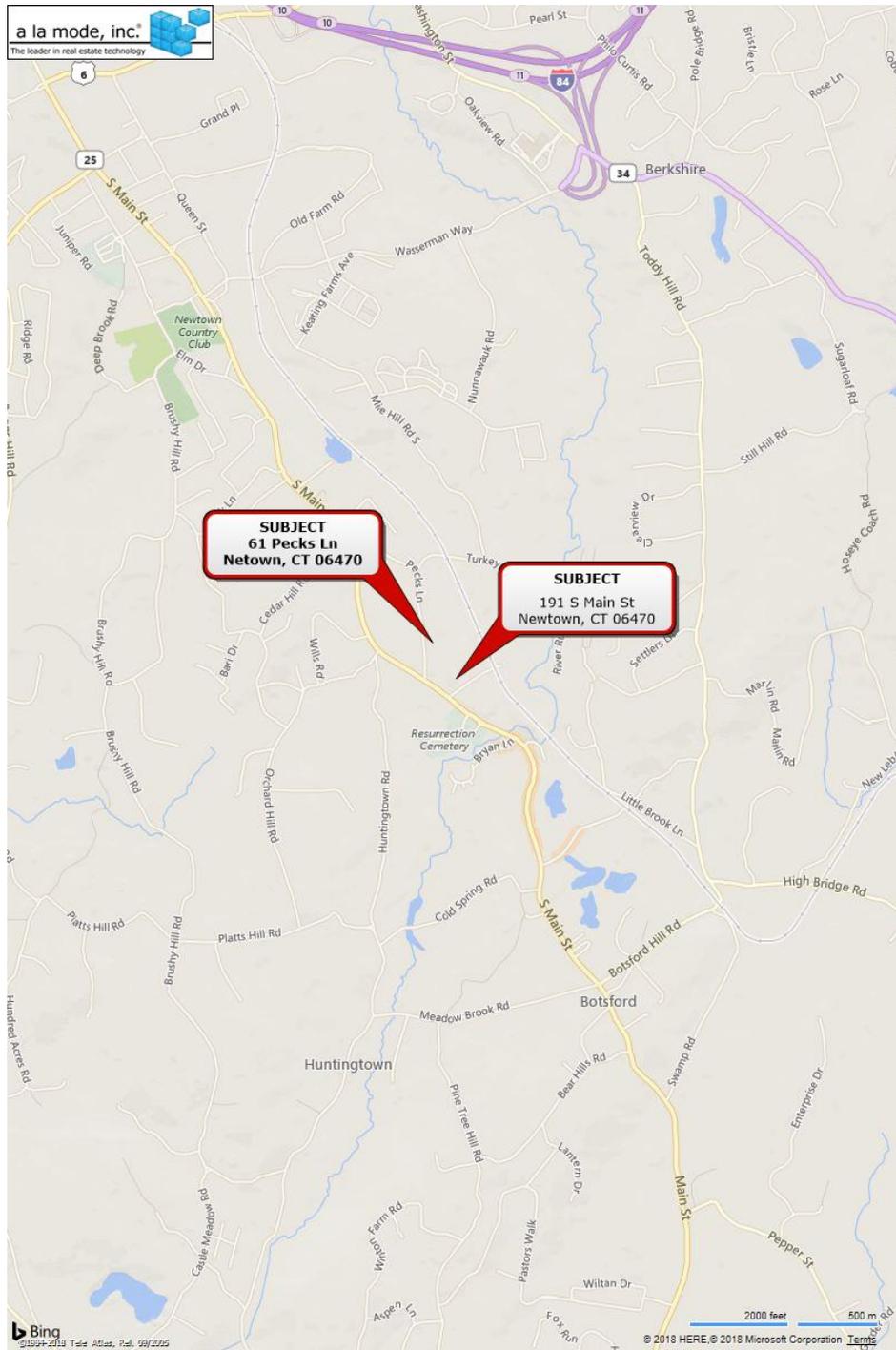
Median household income in 2012-2106 was \$110,036 compared with \$86,670 for the county and \$71,755 for the entire state.

Major employers include the Town of Newtown Board of Education, Masonicare of Newtown, Spectrum, Town of Newtown, and Big Y Supermarkets

## CONCLUSION

In conclusion, the Newtown area is stable and provides a healthy suburban environment to support a wide mix of real estate property uses including residential, retail, commercial, office and industrial properties.

# LOCATION MAP



## **PROPERTY DESCRIPTION**

The subject property is known as 191 South Main Street and 61 Pecks Lane, Newtown, CT. The Assessor's parcel numbers are 36/12/8 & 36/12/7.

## **SUBJECT PROPERTY LOCATION**

These are contiguous parcels on the east side of South Main Street at the intersection of Pecks Lane, about 2 miles southwest of Exit 11, Interstate 84. South Main Street is CT Route 25 which passes through Newtown north and south. The center of town is along Route 25 about 2.5 miles north at its intersection with Route 6.

## **SITE**

The site at 191 South Main Street is 7.25 acres and has about 572 feet of road frontage along South Main Street. 61 Pecks Lane is immediately north of 191 South Main Street and has 4.39 acres with 51.93 feet of frontage along South Main and 294.42 feet of frontage along Pecks Lane.

Together, these sites have total about 11.74 acres and have an irregular shape. The rear property line along Ethan Allen Road is about 731 feet long.

Both sites have a sloping terrain that begins at about 405 feet above sea level at the road to about 446 feet at the rear. Much of the slope is confined to the middle of property with the office building sited at the front or lower portion and the former residence sited at the rear or upper portion.

There appears to be some but limited inland wetlands along the front portion of 61 Pecks Lane. Access to the property is gained via separate driveways from South Main Street and Pecks Lane.

## **SITE IMPROVEMENTS**

Site improvements include, septic systems (1 per site), a connection to municipal water and natural gas, a paved access driveway and unlined parking on 191 South Main Street. The pavement is older, cracked and near then end of its expected life. In addition, there is a former detached single-family house on 61 Pecks Lane (described in detail in the improvement description section that follows).

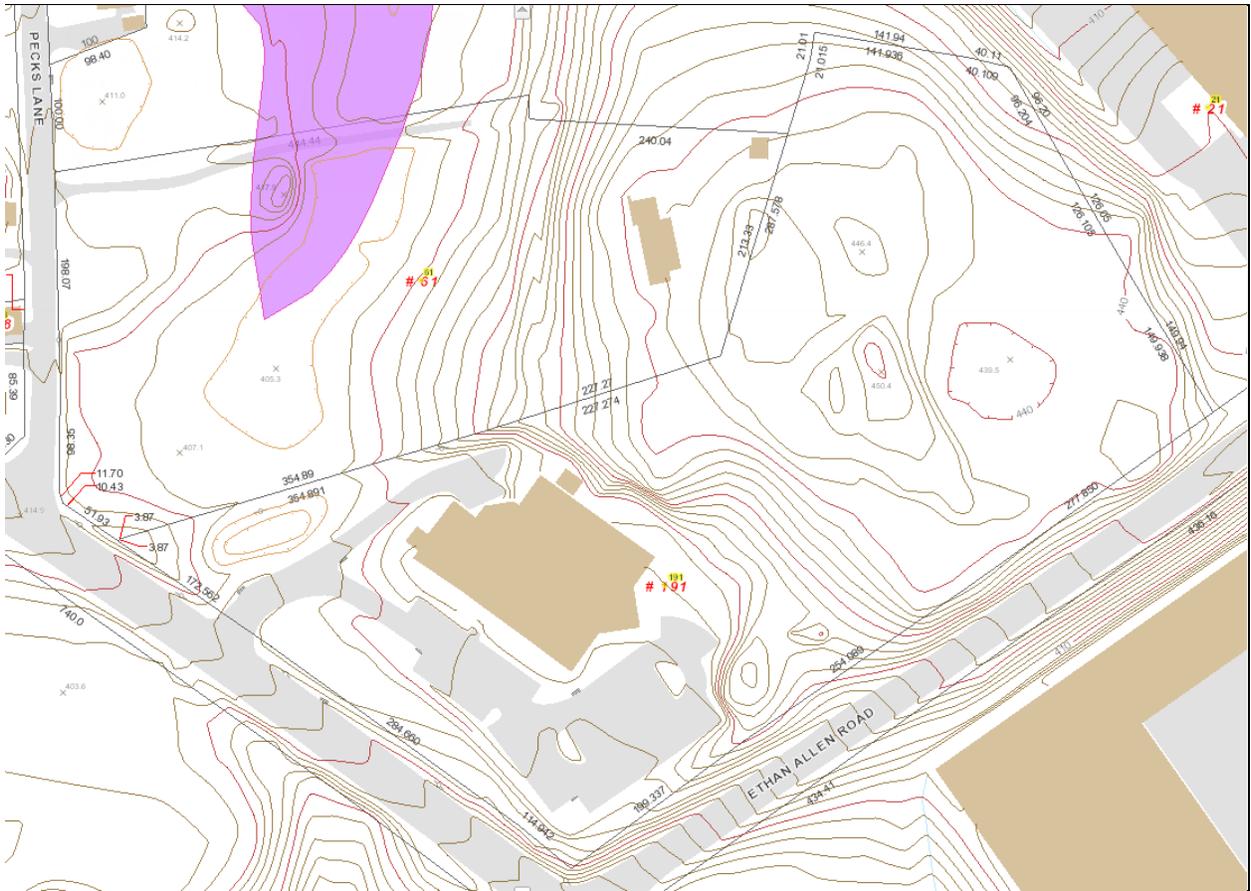
#### ADVERSE EASEMENTS/ SITE CONDITIONS

A review of the legal description (copy in addenda) does not reveal the presence of any adverse easements or encroachments that would impact the value of the site.

#### CONCLUSION

These sites have ample road frontage and a moderately sloping terrain. Their physical features are suitable for many alternative industrial and commercial uses. In addition, there are no adverse site conditions that impact value.

# GIS MAP



(Wetlands in Pink)

AERIAL VIEW



## **DESCRIPTION OF IMPROVEMENTS**

These sites are improved with 2 significant buildings. 191 South Main Street has a single story, masonry, light industrial building constructed 1981. It is configured as office space with a large bullpen area divided into numerous cubicles surrounded by about 11 offices, a conference room, a lounge and lavatories around the perimeter.

This is a single-story structure fit-out with 18,684 square feet of office space and 2,496 square feet of shop space. Built in 1981 the building has most of its original features and fixtures. The building has been vacant for a period of about 4 years. The carpeting is older, worn and stained and need replacement. Other interior finishes, including the ceiling tiles are dated, soiled and worn. In addition, the exterior landscaping has not been maintained and is overgrown. It is expected that any new occupant would renovate these spaces for continued use as offices and/ or renovate for an alternative light industrial use.

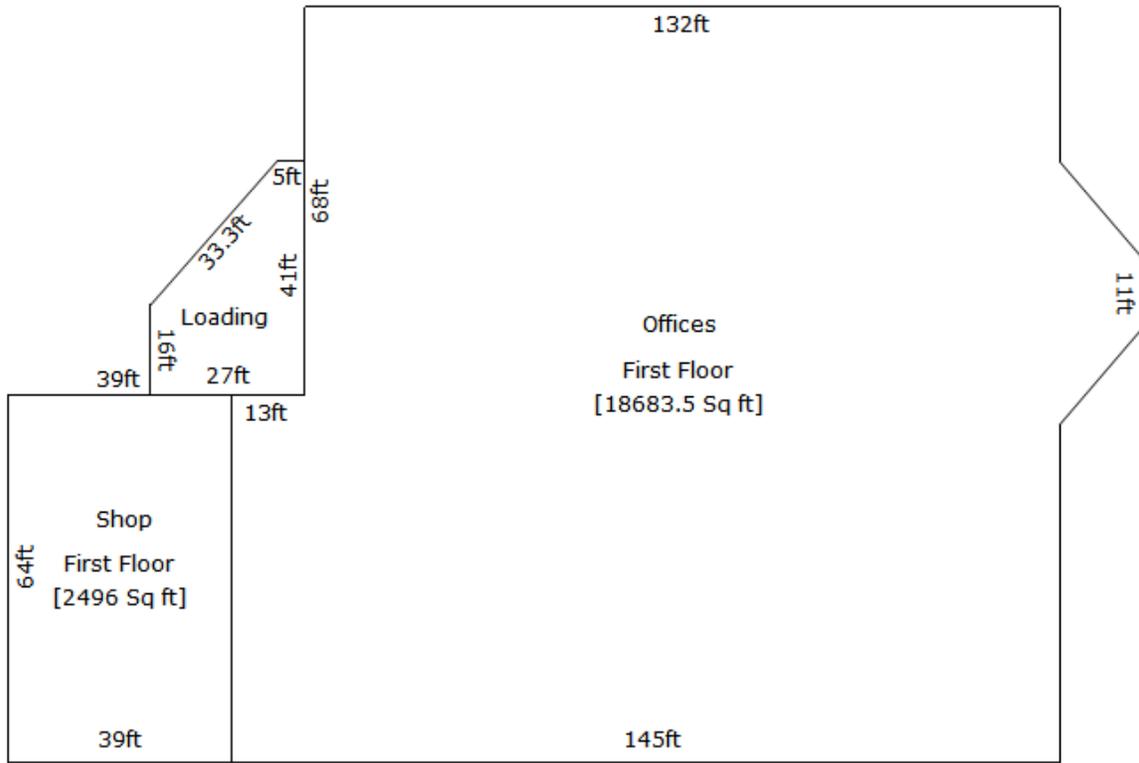
The entire building is serviced by an oil-fired generator located on the east side (rear) of the building.

A more detailed description of these improvements follows:

DESCRIPTION OF THE IMPROVEMENTS – 191 SOUTH MAIN STREET

Present Use/ Occupancy	Offices
Year Built	1981
Size (Square Feet)	21,184
Chronological Age	37
Effective Age	20
Economic Life	50
Remaining Economic Life	30
Dates of Significant Remodeling/ Renovations	N/A
Type of Construction	Masonry
Quality of Construction	Average
Foundation	Concrete Slab
Basement Area	None
Roof	Membrane
Exterior	Brick & Block
Windows	Fixed Pane
Ceilings	Suspended Ceiling Tiles
Interior Walls	Drywall
Floors	Carpeting
Plumbing	Ample
Heating/ Cooling	Gas HVAC
Electrical	1600 Ampere
Water	Public
Sewer	Septic

BUILDING SKETCH - 191 SOUTH MAIN STREET





LOADING DOCK NORTH SIDE OF BUILDING



GENERATOR BUILDING

## FORMER RESIDENCE

The former residence at 61 Pecks Lane was constructed in 1954. It has been used as a studio building to display building products for magazine photography. Currently, it has been vacated and its interior is mostly stripped to its walls. It is not currently habitable. Extensive renovation would be required for occupancy. This improvement is too small to support the underlying land value which exceeds the value of the site as currently improved.

## CONCLUSION

The building at 191 South Main Street is older, dated and suitable for renovation as offices or an alternative use. The residence at 61 Pecks Lane is in a condition that does not offer any contributory value.

## PERSONALTY NOT INCLUDED

Personal property, fixtures, or intangible items that are not real estate are not included in the appraised value unless specifically indicated.

## ZONING

The site is zoned M1, which allows a range of industrial and commercial use.

### **5.02.100 Purpose and Intent**

The purpose and intent of the Industrial Zone M-1 is to encourage low to moderate density industrial and commercial development to reinforce and diversify Newtown's economic base. The land use mix is intended to include facilities for light industrial operations, multi-tenant office buildings, wholesale distribution, bulk storage, laboratory space and research and development.

Category:	M1
Minimum lot area:	6 Acres
Minimum lot width:	250 Feet
Minimum front yard:	150 Feet
Minimum side yard:	50 Feet
Minimum rear yard:	50 Feet
Maximum building height:	25 Feet
Maximum building coverage:	35%

#### PERMITTED USES:

A variety of industrial and commercial uses are permitted in this zone. These include municipal buildings, laboratories for research, design and experimentation, office buildings, light industrial buildings, public utilities, public works, veterinary hospitals, retail stores, financial institutions, etc. Hotels, self-storage and child care facilities, as well as waste treatment facilities, garages, and others are permitted by special permit. Please see a copy of the applicable zoning regulations included in the addenda of this report for other uses that are permitted in this zone.

#### PRESENT USE

These properties and buildings are currently vacant and were previously used as an office building and a studio building. These uses are permitted by the current zoning requirements.

#### CONCLUSION

The zoning regulations support the most recent uses and allow for a wide range of alternative uses.

## **FLOOD MAP INFORMATION**

The applicable Federal Emergency Management Agency Flood Map (Map #09001C0168F, dated 6/18/2010, Zone C) indicates that the subject property is not located in a federally designated flood hazard region.

## **ENVIRONMENTAL CONSIDERATIONS**

The appraiser has no knowledge of and found no reason to suspect any environmental contamination of the subject property.

## **OFF SITE IMPROVEMENTS**

Offsite improvements include municipal water and sewer, as well as electric, gas, telephone, and cable television services which are available through state regulated public utilities.

## *CONCLUSION*

The property is well suited for a variety of uses, including the present as office with a former residence used as studio.

## PROPERTY TAXES

191 South Main St. 61 Pecks Lane

ASSESSMENT (2017)			
LAND	\$	436,450	\$ 88,050
BUILDING	\$	1,108,020	\$ 72,480
TOTAL	\$	1,544,470	\$ 160,530
PREVIOUS (2016)	\$	1,520,570	\$ 160,420
		-2%	-0.1%
MILL RATE		34.24	34.24
Tax	\$	52,883	\$ 5,497

Over the last year, the mill rate in Newtown, CT has increased from 33.6 to 34.24, or about 1.9% over the previous year. This compares favorably with other area towns and is in line with the cost of living increase over the period. It should be noted that this mill rate is based on the values after the 2017 revaluation.

## TITLE HISTORY

The legal description for 191 Main Street South is as described in Volume 513 at Page 118 of the Newtown, CT Land Records. The legal description for 61 Pecks Lane is described in vol. 541, page 457.

The property was purchased by the owners many years ago. There are no transfers in the last five years known to the appraiser.

The property is not subject to any lease agreements. 191 South Main Street has been listed for sale with a list price of \$1,450,000 for about 10 months. 61 Pecks Lane is not currently offered for sale. There is a pending contract/ purchase offer of sale that

includes both properties for \$1,600,000. I have not reviewed the contract or purchase offer.

## **HIGHEST AND BEST USE**

### **Definition**

## **HIGHEST AND BEST USE**

“The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity”.

Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2016).

## **HIGHEST AND BEST USE OF THE SITE, AS THOUGH VACANT**

There are several factors to be considered in judging the highest and best use of the subject site, as if, vacant.

### ***LEGALLY PERMISSIBLE***

This parcel is in the M1 Zone that allows industrial and commercial development. Either use is permitted and would be legally permissible. Zoning regulations also allow for development of sites as small as 6 acres. 191 South Main Street has 7.35 acres and 61 Pecks Lane has 4.39 acres. No further subdivision is possible.

### *PHYSICALLY POSSIBLE*

The property's gently rolling topography, ample road frontage. Based on the zonings maximum 35% building coverage ratio, these sites which total 11.74 acres or about 511,394 square feet, these together, are large enough to support improvements with a footprint of 178,988 square feet. It should be noted that few properties in this suburban market have improvements that meet the maximum coverage due to parking requirements and/ or septic system requirements.

### *FINANCIALLY FEASIBLE*

Rental rates for retail, office and industrial properties would support development and result in a positive return. Therefore, all are considered financially feasible.

### *MAXIMALLY PRODUCTIVE*

The office market is oversupplied throughout the county and there is limited demand for existing offices in Newtown. Retail rental rates are higher than industrial rental rates and would generate a higher overall return but there are more desirable retail sites available waiting for development. Industrial development would likely meet with the greatest demand and be maximally productive. It should be noted that few sites are built to the maximum density due to the suburban nature of the area and parking and septic requirements.

### CONCLUSION

Given these legal, physical, financial and economic characteristics, the highest and best use of the site, as vacant, is development of industrial improvements.

## HIGHEST AND BEST USE AS IMPROVED

The same four factors need to be considered in judging the highest and best use of the subject site as improved.

### *LEGALLY PERMISSIBLE*

These parcels are in the M1 Zone that allows industrial and commercial development. These properties are currently developed with two buildings of 21,180 and 1,316 square feet respectively. While the smaller building has no contributory value, its site is available for redevelopment. The larger building is a substantial structure and is suitable for a wide range of uses, including the past use as office space. These improvements are believed to be legal, conforming improvements.

### *PHYSICALLY POSSIBLE*

The office building has a total of 21,180 square feet. It was designed as office space but is suitable for adaptation for a variety of alternative uses. Its current condition would likely require extensive renovation, including interior and exterior renovation, for continued use as office space. About 2,496 square feet is finished and utilized as shop space. Conversion of the remainder of the building for light industrial uses would require demolition of the interior office finish.

### *FINANCIALLY FEASIBLE*

Rental rates for both office, retail and industrial properties would support development and result in a positive return. Therefore, all are considered financially feasible.

### *MAXIMALLY PRODUCTIVE*

The property has been marketed lease for about 4 years as office space without success likely because of its condition. Alternative use of the property what would produce a greater return. In addition, there are no market forces that would suggest that expansion of the existing improvements is feasible at this time. Therefore, the current size is a maximally productive use of the property at this time.

### CONCLUSION

Given these legal, physical, financial and economic characteristics, the highest and best use of the site, as improved, is a building available for repositioning in the market, possibly for light industrial uses, with the 4.39 acres of land at 61 Pecks Lane being available for development.

## **SUMMARY OF ANALYSIS AND VALUATION**

This appraisal involves the valuation of a parcel of a 21,180 square office building suitable for repositioning, on approximately 7.35 acres and an adjacent 4.39-acre parcel of industrially zoned land, at 191 South Main Street and 61 Pecks Lane, Newtown, CT.

## **COST APPROACH**

The Cost Approach estimates value by valuing the land as if it were vacant, then adding the cost to build the existing improvements new and then subtracting accrued depreciation.

Due to the age of the subject property and the difficulties inherent in accurately estimating the accrued depreciation, this approach would not be expected to produce an accurate estimate of the value and thus is considered "not applicable" for this analysis.

## **INCOME APPROACH**

The Income Approach, or Income Capitalization Approach, estimates the amount a purchaser would pay for a property based on the income stream it produces. This approach was developed to estimate the value of 191 South Main Street utilizing direct capitalization.

### **DIRECT CAPITALIZATION**

Specific appraisal techniques applied to develop a value indication for a property based on its earning capability and calculated by the capitalization of property income.

*Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2016).*

The Direct Capitalization Model will be utilized in this appraisal. The Discounted Cash Flow Model is typically used for large, multi-tenant investment properties with extended leases and thus, was not considered appropriate for this property.

The capitalization process, as applied in this analysis, will include the following segments:

1. Summary of Current Rental Situation
2. Rental Survey
3. Estimate of Market Rent
4. Expense Analysis
5. Direct Capitalization Analysis

The foundation upon which this analysis is built is the reasonable income expectations

of a typically informed purchaser. The first four of the above segments are steps in determining the estimated Net Operating Income ("NOI") for the subject. The last segment involves estimating the appropriate capitalization rate and applying it in the ratio model.

#### CURRENT OCCUPANCY

The property is currently vacant and has been for about 4 years. Due to the age and condition significant renovation or upgrading would be required to find a tenant.

#### RENTAL COMPARABLES

The following recently leased and actively listed rental comparables were considered in forming and estimate of the fair market rent.

## RENT COMPARABLE 1



### Property Identification

Address	19 Church Hill Rd
City/ State	Newtown, CT
Tax Parcel #	26-11-5

### Lease Data

Date	7/17/2017
Rental Rate \$/Sq. Ft.	\$10.50
Leased Area	
Bases	Net
Leasor	Culbert & Isgut LLC
Grantee	N/A
Property Rights	Leasehold
Verification	Broker

### Physical Elements

Year Built	1986
Building Area	2,230
Construction	Masonry
Utilities	Water, Sewer
Condition	Average
Parking	Adequate

### Analysis

Price Per Square Foot	\$10.50
Deductions	\$0.00
Net Equivalent Rent	\$10.50

COMMENTS - This is a recently leased office space in a superior location in the center of Newtown. Many commercial conveniences are within walking distance. The building is similar in age and in similar condition.

O'NEILL, DUFFY & CO., LLC

## RENT COMPARABLE 2



### Property Identification

Address	53 Lake Avenue
City/ State	Danbury, CT
Tax Parcel #	E150064

### Lease Data

Date	9/25/2013
Rental Rate \$/Sq. Ft.	\$15.00
Leased Area	2700
Bases	Plus Utilities
Leasor	53 Lake Ave. LLC
Grantee	N/A
Property Rights	Leasehold
Verification	Broker

### Physical Elements

Year Built	1979
Building Area	11,800
Construction	Steel & Masonry
Utilities	Water & Sewer
Condition	Average
Parking	Adequate

### Analysis

Price Per Square Foot	\$15.00
Deductions	\$3.25
Net Equivalent Rent	\$11.75

COMMENTS - This is a smaller, multiple tenanted office building in nearby Danbury, CT. It is of similar age and is in superior overall condition. It was leased on a gross plus utilities bases. Expenses included in the rent are estimated at \$3.25 per square foot. Therefore, this is equivalent to a net lease of \$11.75 per square foot.

### RENT COMPARABLE 3



#### **Property Identification**

Address	98 Mill Plain Road
City/ State	Danbury, CT
Tax Parcel #	D14011

#### **Lease Data**

Date	4/1/2015
Rental Rate \$/Sq. Ft.	\$16.50
Leased Area	1829.00
Bases	Gross
Leasor	Veska, LLC
Grantee	N/A
Property Rights	Leasehold
Verification	Broker

#### **Physical Elements**

Year Built	1989
Building Area	25,138
Construction	Steel & Wood
Utilities	Water & Sewer
Condition	Average
Parking	Adequate

#### **Analysis**

Price Per Square Foot	\$16.50
Deductions	\$3.50
Net Equivalent Rent	\$13.00

COMMENTS - This is a larger, multiple tenanted office building in nearby Danbury, CT. It is a slightly older building but is in superior overall condition. It was leased on a gross plus utilities bases. Expenses included in the rent are estimated at \$4.50 per square foot. Therefore, this is equivalent to a net lease of \$12.50 per square foot.

## RENT COMPARABLE 4



### Property Identification

Address	100 Technology Drive
City/ State	Trumbull, CT
Tax Parcel #	E010095

### Lease Data

Date	2/24/2014
Rental Rate \$/Sq. Ft.	\$18.25
Leased Area	1,519
Bases	Gross
Leasor	Eldorado Holdings, LLC
Grantee	N/A
Property Rights	Leasehold
Verification	Broker

### Physical Elements

Year Built	1997
Building Area	51,417
Construction	Steel & Wood
Utilities	Water & Sewer
Condition	Average
Parking	Adequate

### Analysis

Price Per Square Foot	\$18.25
Deductions	\$3.00
Net Equivalent Rent	\$15.25

COMMENTS - This is a larger, multiple tenanted office building in nearby Trumbull, CT. It was leased on a gross plus utilities bases. Expenses included in the rent are estimated at \$4.00 per square foot. Therefore, this is equivalent to a net lease of \$14.25 per square foot.

The rent survey indicated that office rents in the area range rent from \$10.50 to \$14.25 per square foot net basis. Those rents at the higher end of the range are general younger buildings and/ or in superior, more expensive locations (Trumbull). When adjusted for condition and amenities these rental comparable suggest a market rental for the subject of \$9.00 to \$11.00 per square foot on a net basis. With 21,184 square feet, the gross potential income can be calculated as 21,184 square feet x \$10.00 per square foot = \$211,184.

## EXPENSES

Vacancy and expense information is based on data gathered on subject information and comparable properties in the area. While local survey's place the county's vacancy rate somewhere in the 20% to 24% range, these figures include larger buildings in lower Fairfield County with hundreds of thousands of square feet. These larger buildings have less demand and typically require years of marketing. The subject is a smaller building and is leased in smaller segments that are met with stronger demand resulting in a lower overall vacancy rate. In addition, the building has a good vacancy history. With a potential new lease for the vacant unit the building will achieve 100% occupancy. Therefore, a stabilized vacancy for the subject is estimated at 10%.

Most single occupant buildings in the area are leased on a net basis with the tenant paying all operating expenses as additional rent. However, the owner typically incurs a few expenses which will be considered and deducted from the effective gross income.

The following expenses were considered.

Taxes are included at about their current level of \$53,000. Insurance is included at

\$8,000.

In addition, an investor should allow an amount for reserves for replacement (including repairs and maintenance) which in this analysis is estimated at 5% of effective gross income. Even when a property is owner managed, time and incidental expenses are involved. Thus, an allowance for property management of 4% of effective gross income is included.

Leasing commissions are included at 5% of effective gross income.

#### OVERALL CAPITALIZATION RATE

A capitalization rates was developed utilizing a Band of Investment.

#### *BAND OF INVESTMENT*

The "band of investment" analysis was applied as a second method for estimating the capitalization rate, using an Equity Capitalization Rate ( $R_E$ ) of 10% and a loan interest rate of 5% (25 years), the mortgage constant ( $R_M$ ) is 0.0702.

With this information derived from the market, the formula can now be used to compute an Overall Capitalization Rate ( $R_O$ ).

$$\begin{array}{rclcl} M \times R_M = & 75\% \times 0.0702 & = & 0.0526 \\ (1-M) \times R_E = & 25\% \times 0.1000 & = & \underline{+ 0.0250} \\ & & & \\ & R_O & = & 0.0776 \\ & \text{Say} & & 7.6\% \end{array}$$

Alternatively, the 2nd. Quarter 2018 issue of Valuation Magazine, published by the

Appraisal Institute, reports that the Korpacz National Market Survey of institutional investors, reveals an expected capitalization rate for institutional grade CBD office properties of 3.00% to 7.5% with an average of 5.48% or 5.5%.

We now have two indicated capitalization rates. 7.6% developed from the band of investment, and 5.5% based on a national survey. This building is not an institutional grade property, so national survey rates, which would expectedly be lower and are given less weight. Therefore, more emphasis is placed on the rates derived from the band of investment and recent sales.

Thus, this broad industry information tends to lend support to the conclusion of 7.6% to 8.25% as the appropriate capitalization rate. Due to soft market conditions for suburban office space the higher rate or 8.25% will be used.

#### *CONCLUSION*

An overall capitalization rate of 8.25% will be used.

The income approach using direct capitalization is summarized as follows:

SUMMARY - DIRECT CAPITALIZATION			
<b>Potential Gross Income</b>			
Office Rents (Net Sq. Ft.)	21,184	\$10.00	\$ 211,840
Reimbursed Expenses (CAM)			\$ <u>-</u>
<b>Total Potential Gross Income</b>			\$ 211,840
Vacancy & Collection Loss	10%		\$ <u>21,184</u>
Effective Gross Income			\$ 190,656
<i>Reimburse Expenses (CAM)</i>			
Real Estate Taxes		\$	53,000
Insurance		\$	8,000
Utilities			Tenant
Repairs/ Maintenance			Tenant
Cleaning			Tenant
Miscellaneous			Tenant
Supplies			<u>Tenant</u>
Total CAM Expenses			\$ 61,000
<i>Non-Reimbursed Expenses</i>			
Management	4%	\$	7,626
Leasing Commissions	5%	\$	10,592
Reserves for Replacement	5%	\$	<u>9,533</u>
Non-Reimbursed Expenses			\$ <u>27,751</u>
Total Operating Expenses			\$ 88,751
<b>Net Operating Income</b>			\$ 101,905
Direct Capitalization Rate:			8.25%
<b>Indicated Value</b>			\$ 1,235,212
Estimated Value by the Income Approach (rounded)			\$ 1,240,000

## **SALES COMPARISON APPROACH**

The sales comparison approach involves a process of analyzing sales of similar properties that have been sold to arrive at an indication of the most probable sales price of the subject property. Comparisons are made to the subject with respect to time of sale, location, size, quality, condition or any other factors that are considered appropriate for the market in which the property exists.

It should be noted that a search of Newtown and neighboring towns for sales occurring over the past few years was made. Sales of office space in Newtown were considered as well as sales of industrial buildings in the area. The office buildings are in generally superior condition and serve as an upper limit of value while the industrial buildings serve as a lower limit of value. As a building suitable for repositioning the value of the subject is believed to be within the range of these properties.

A summary of the comparable improved sales follows:

## COMPARABLE SALE 1

### Property Identification

Address	14 Commerce Road
City/ State	Newtown, CT
Tax Parcel #	38/1/17

### Sale Data

Date	5/19/2017	
Price	\$1,750,000	
Volume & Page	1097/ 165	
Grantor	14 Commerce Road LLC	Michael Navin Mgr.
Grantee	Ger Reb Realty	
Property Rights	Fee Simple	
Conditions of Sale	Cash To Seller	
Financing	Lakeland Bank	
Verification	Broker	

### Physical Elements

Acreage	2
Land Area (Square Feet)	87,120
Year Built	1980
Building Area	15,618
Construction	Masonry
Utilities	Water & Sewer
Condition	Good
Easements	None Known

### Analysis

Price Per Square Foot	\$112.05
Expenditures After Sale	N/a
Building Coverage Ratio	17.9%

COMMENTS - This is a smaller, two story masonry office building in an industrial park setting about 2.5 miles north. It is a multiple tenanted building. According to the broker, the second floor was recently updated, and improvements were made to the common areas at a total cost of \$600,000. It is in superior condition. Features include an elevator. According to the MLS it was marketed for 270 days.



ASSESSOR'S MAP



PHOTOGRAPH FROM STREET

## COMPARABLE SALE 2

### Property Identification

Address	11 & 12 Turnberry Lane
City/ State	Newtown, CT
Tax Parcel #	45/3/35 & 43

### Sale Data

Date	11/9/2016	
Price	\$2,782,500	
Volume & Page	1089/ 213	
Grantor	12 Turnberry Lane, LLC	Michael Bodetti, Mbr.
Grantee	Turnberry Realty, LLC	David Kramer, Mbr.
Property Rights	Fee Simple	
Conditions of Sale	Cash To Seller	
Financing	BCB Community Bank	
Verification	Public Records	

### Physical Elements

Acreage	5.22
Land Area (Square Feet)	227,383
Year Built	2008
Building Area	24,769
Construction	Masonry
Utilities	Well, Septic
Condition	Good
Easements	No Adverse

### Analysis

Price Per Square Foot	\$112.34
Expenditures After Sale	N/a
Building Coverage Ratio	10.9%

COMMENTS - This is a slightly larger, two story masonry office building in an industrial park setting about 2 miles northeast. A younger building, it is in superior overall condition. It is a single tenanted building leased at the time of sale. Features include an elevator. It was sold with an adjacent lot used as additional parking.



### COMPARABLE SALE 3

#### Property Identification

Address	15 Berkshire road
City/ State	Newtown, CT
Tax Parcel #	38/10/1

#### Sale Data

Date	1/5/2017	
Price	\$800,000	
Volume & Page	1091/ 996	
Grantor	15 Berkshire Road, LLC	JPM Family LLC
Grantee	Newtown Youth & Famil5	
Property Rights	Fee Simple	
Conditions of Sale	Cash To Seller	
Financing	Newtown Savings Bank	
Verification	Broker	

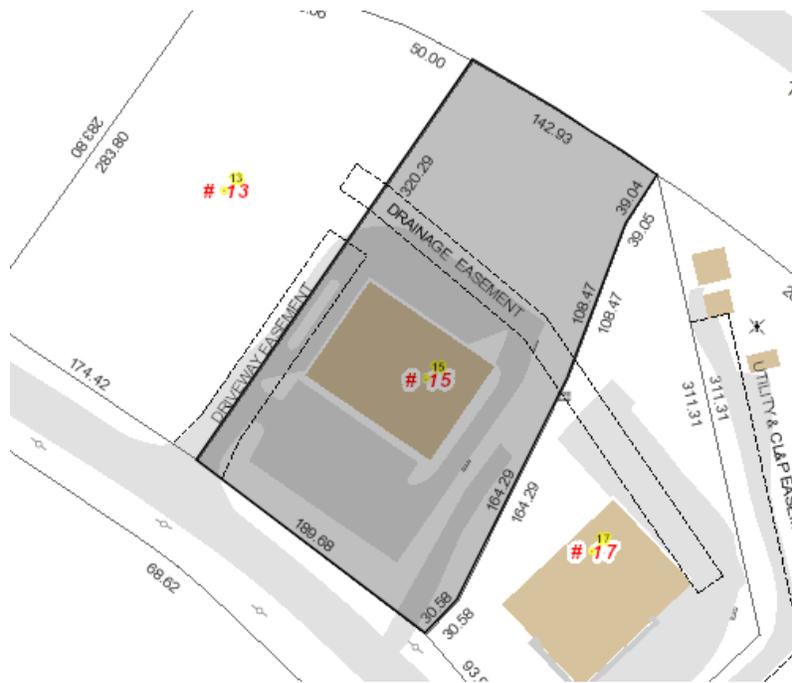
#### Physical Elements

Acreage	1.29
Land Area (Square Feet)	56,192
Year Built	2000
Building Area	7,500
Construction	Masonry
Utilities	Well & Septic
Condition	Good
Easements	No Adverse

#### Analysis

Price Per Square Foot	\$106.67
Expenditures After Sale	N/a
Building Coverage Ratio	13.3%

COMMENTS - This is a smaller, single story, steel and masonry office building in a similar mixed-use location about 2.5 miles northeast. Built in 2000, it is in superior overall condition and ready for occupancy. It is a single tenanted building.



ASSESSOR'S MAP



PHOTOGRAPH FROM STREET

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## COMPARABLE SALE 4

### Property Identification

Address	10 Mile Hill Road
City/ State	Newtown, CT
Tax Parcel #	37/2/1&2

### Sale Data

Date	2/5/2018	
Price	\$1,200,000	
Volume & Page	1102/187	
Grantor	The Taunton Press Inc.	Susan Roman, Mbr.
Grantee	10 Mile Hill Road, LLC	William J. Rooney, Mbr.
Property Rights	Fee Simple	
Conditions of Sale	Cash To Seller	
Financing	Newtown Savings Bank	
Verification	Loopnet	

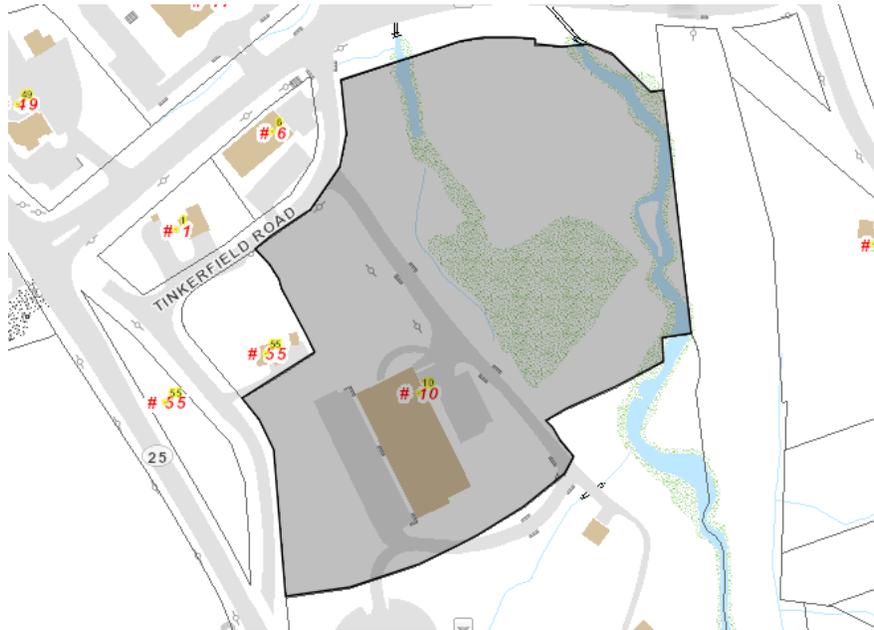
### Physical Elements

Acreage	9.65
Land Area (Square Feet)	420,354
Year Built	1986
Building Area	21,643
Construction	Block
Utilities	Water & Septic
Condition	Average
Easements	None Known

### Analysis

Price Per Square Foot	\$55.45
Expenditures After Sale	n/a
Building Coverage Ratio	5.1%

COMMENTS - This is a similar size, industrial building just off Main Street South about 1.7 miles north of the subject. It is a single-story masonry building in similar overall condition. About half of the site consists of inland wetlands. Finished mostly as shop space, the building has its original features and fixtures and is believed to be in superior condition ready for occupancy. Features include central air conditioning. Financing was provided by Newtown Savings Bank.



ASSESSOR'S MAP



PHOTOGRAPH FROM STREET

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## COMPARABLE SALE 5

### Property Identification

Address	588 Pepper Street
City/ State	Monroe, CT
Tax Parcel #	103/22/12

### Sale Data

Date	11/6/2017	
Price	\$875,000	
Volume & Page	1981/ 242	
Grantor	The Proudfoot Co.	David Proudfoot, Pres.
Grantee	588 Pepper Street	Deborah Klitnick, Mbr.
Property Rights	Fee Simple	
Conditions of Sale	Cash To Seller	
Financing	M & T Bank	
Verification	Public Records	

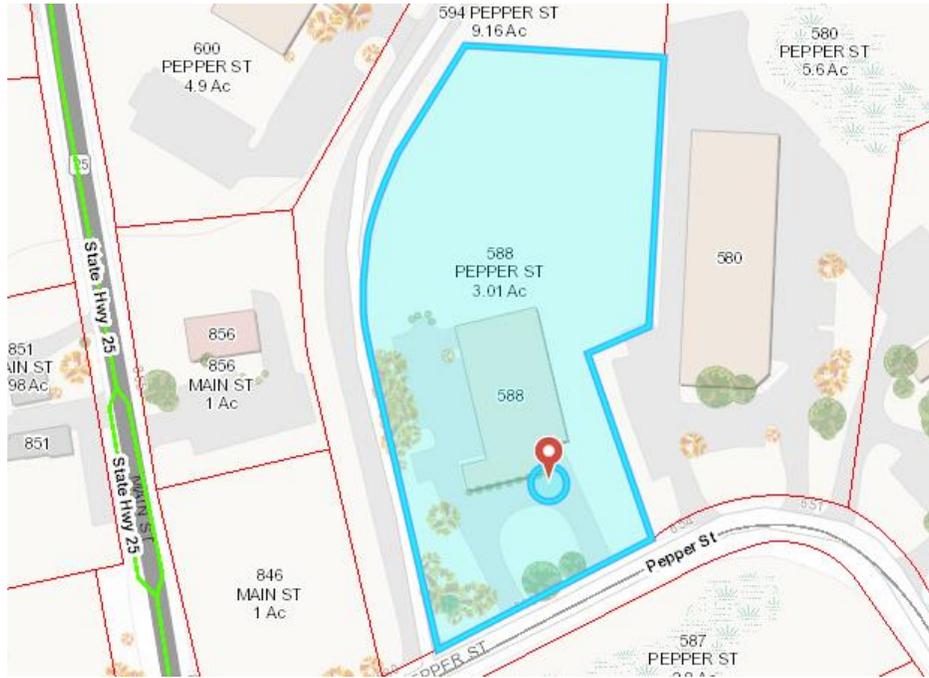
### Physical Elements

Acreage	3.01
Land Area (Square Feet)	131,116
Year Built	1980
Building Area	12,648
Construction	Masonry & Steel
Utilities	Well & Septic
Condition	Average
Parking	Ample
Easements	None Known

### Analysis

Price Per Square Foot	\$69.18
Expenditures After Sale	n/a
Building Coverage Ratio	9.6%

COMMENTS - This is a smaller, light industrial building in neighboring Monroe, CT. It is just east of Route 25. Features include about 2,000 square feet of office space with the remainder warehouse/ shop space. Finished mostly as shop/ warehouse space and ready for occupancy, the building appears to be in superior overall condition ready for occupancy.



ASSESSOR'S MAP



PHOTOGRAPH FROM STREET

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## COMPARABLE SALE 6

### Property Identification

Address	600 Pepper Street
City/ State	Monroe, CT
Tax Parcel #	103/20/11

### Sale Data

Date	9/22/2017	
Price	\$1,200,000	
Volume & Page	1974/275	
Grantor	FBG Properties, LLC	Barbara Ann George, Mbr.
Grantee	600 Pepper Street, LLC	Providence Land Company
Property Rights	Fee Simple	
Conditions of Sale	Cash To Seller	
Financing	None Recorded	
Verification	Public Records	

### Physical Elements

Acreage	4.09
Land Area (Square Feet)	178,160
Year Built	1981
Building Area	15,198
Construction	Masonry
Utilities	Well & Septic
Condition	Average
Parking	Ample
Easements	None Known

### Analysis

Price Per Square Foot	\$78.96
Expenditures After Sale	n/a
Building Coverage Ratio	8.5%

COMMENTS - This is a smaller, light industrial building in neighboring Monroe, CT. It is just east of Route 25. Features include about 2,000 square feet of office space with the remainder warehouse/ shop space. Similar in age, the building appears to be in similar overall condition.

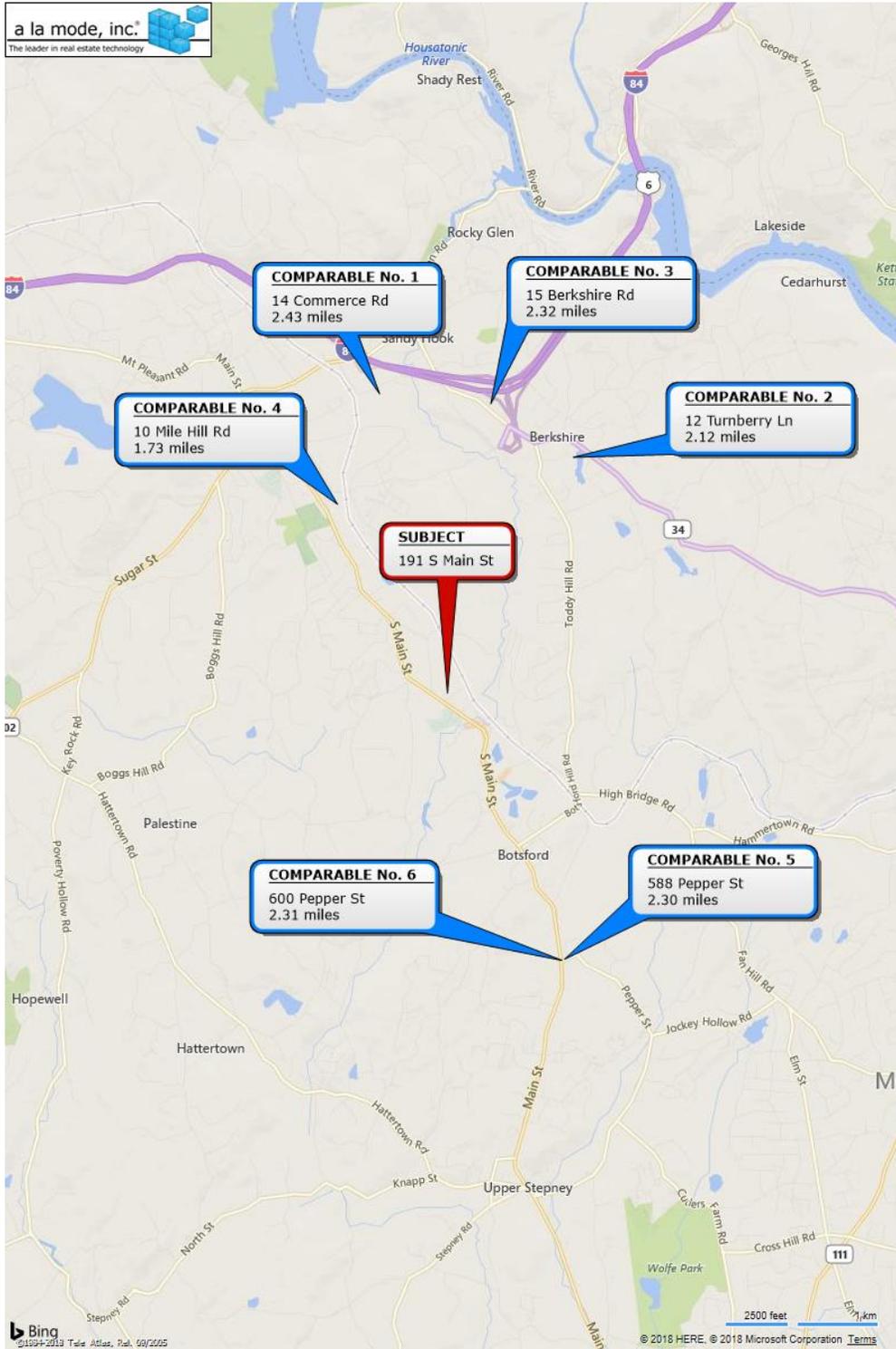


ASSESSOR'S MAP



PHOTOGRAPH FROM STREET

# LOCATION MAP



Summary of Adjustments							
Item	Subject Property 191 So. Main St. Newtown, CT	Comparable #1 14 Commerce Rd Newtown, CT		Comparable #2 11 & 12 Turnberry Newtown, CT		Comparable #3 15 Berkshire Rd Newtown, CT	
Unadjusted Sales Price:	N/A	\$1,750,000		\$2,782,500		\$800,000	
Unadjusted Sales Price: (\$ Per Sq. Ft.)		\$112.05		\$112.34		\$106.67	
Adjustments:	Description	Description	+/- Adj	Description	+/- Adj	Description	+/- Adj
Property Rights Conveyed		leased fee		leased fee		fee simple	
Financing / Concessions		none known		none known		none known	
Conditions of Sale		typical		typical		typical	
Expenditures Immediately After Purchase		none known		none known		none known	
Market Conditions		5/19/2017		11/9/2016		1/5/2017	
<i>Adjusted Sale Price / Sq. Ft.</i>			\$112.05		\$112.34		\$106.67
Location / Zone	Good	Good		Good		Good	
Site Size (Acres)	7.35	2		5.22		1.29	
Building Coverage Ratio	6.60%	17.90%		10.90%		13.30%	
Topography	Sloping	Sloping		Gtl. Slope		Level	
Utilities	Water/ Sept.	Water/Swr.	-10.0%	Well/ Sept.		Well/ Sept	
Highest & Best Use	Office/ Industr.	Office		Office		Office	
Design and Appeal	1 Story	2 Story		2 Story		1 Story	
Building Area	21,180	15,618		24,769		7,500	-10.0%
Below Grade / Basement Use	None	None		None		None	
Functional Utility	Single Tenant	Multi. Ten.	-5.0%	Single Ten.		Single Ten.	
Age / Condition	Good	Good		Good		Good	
Age / Condition	1981/ Avg.-Fair	1980/ Good	-20.0%	2008/ Sup.	-30.0%	2000/ Good	-20.0%
Heating / Cooling	Gas/ CAC	Gas/ CAC		Gas/ CAC		Gas/ CAC	
Construction Quality	Average	Average		Average		Average	
<i>Total Adjustment</i>			-35.0%		-30.0%		-30.0%
<i>Adjusted Sale Price / Sq. Ft.</i>			\$72.83		\$78.64		\$74.67

O'NEILL, DUFFY & CO., LLC

Summary of Adjustments							
Item	Subject Property 191 So. Main St. Newtown, CT	Comparable #4 10 Mile Hill Rd Newtown, CT		Comparable #5 588 Pepper St. Newtown, CT		Comparable #6 600 Pepper St. Newtown, CT	
Unadjusted Sales Price:	N/A	\$1,200,000		\$875,000		\$1,200,000	
Unadjusted Sales Price: (\$ Per Sq. Ft.)		\$55.45		\$69.18		\$78.96	
Adjustments:	Description	Description	+/- Adj	Description	+/- Adj	Description	+/- Adj
Property Rights Conveyed		leased fee		leased fee		fee simple	
Financing / Concessions		none known		none known		none known	
Conditions of Sale		typical		typical		typical	
Expenditures Immediately After Purchase		none known		none known		none known	
Market Conditions		2/5/2018		11/6/2017		9/22/2017	
<i>Adjusted Sale Price / Sq. Ft.</i>			\$55.45		\$69.18		\$78.96
Location / Zone	Good	Average	10.0%	Good		Good	
Site Size (Acres)	7.35	9.65/ Inf.	20.0%	5.22		1.29	
Building Coverage Ratio	6.60%	5.10%		10.90%		13.30%	
Topography	Sloping	Sloping		Gtl. Slope		Level	
Utilities	Water/ Sept.	Water/Sept	-10.0%	Well/ Sept.		Well/ Sept	
Highest & Best Use	Office/ Industr.	Office		Office		Office	
Design and Appeal	1 Story	1 Story		1 Story		1 Story	
Building Area	21,180	21,643		12,648	-5.0%	15,198	
Below Grade / Basement Use	None	None		None		None	
Functional Utility	Single Tenant	Single Ten.		Single Ten.		Single Ten.	
Age / Condition	Good	Good		Good		Good	
Heating / Cooling	1981/ Avg.-Fair	1980/ Avg.	-10.0%	1980/ Avg.	-10.0%	1981/Avg.	-10.0%
Construction Quality	Gas/ CAC	Gas/ CAC		Gas/ CAC		Gas/ CAC	
	Average	Average		Average		Average	
<i>Total Adjustment</i>			10.0%		-15.0%		-10.0%
<i>Adjusted Sale Price / Sq. Ft.</i>			\$60.99		\$58.80		\$71.06

O'NEILL, DUFFY & CO., LLC

In the Sales Comparison Approach the real estate market was investigated for sales of properties comparable to the subject property. The sales used were then analyzed and adjusted for factors such as location, size of building and lot, condition, time of sale, and any other factors influencing the selling price. This analysis yielded indicated values of:

<b>INDICATED VALUES</b>	
Comparable #1	\$72.83 / Sq. Ft.
Comparable #2	\$78.64 / Sq. Ft.
Comparable #3	\$74.67 / Sq. Ft.
Comparable #4	\$60.99 / Sq. Ft.
Comparable #5	\$58.80 / Sq. Ft.
Comparable #6	<u>\$71.06</u> / Sq. Ft.
MEAN	\$69.50 / Sq. Ft.

#### ADJUSTMENTS

*MARKET CONDITIONS* – Due to stable market conditions over the past few years no adjustment for market conditions was made.

*SITE SIZE/ BUILDING COVERAGE RATIO* – These sales have sites ranging from 1.29 acres to 9.65 acres and all have adequate parking. The building coverage ratios range 5.1% to 17.9% suggesting those at the lower end of the ratios may have some expansion potential. Sale 4 has the lowest building coverage ratio suggesting an adjustment is required. The other sales have reasonable similar utility due to topography. Therefore, no other site size adjustments are made.

*UTILITIES* – An adjust is made to comparable 1 because it has municipal sewers. Sewer systems are considered a superior amenity for commercial buildings; therefore, a modest downward adjustment is made. No adjustment is made for

water.

*BUILDING SIZE* – Sale 3 is a significantly smaller building. Smaller buildings typically sell at higher prices per square foot. Therefore, a negative adjustment is made to reflect the inverse relationship between size and price per square foot.

*USE* – Comparable 1 is a multiple tenanted building. Multiple tenanted buildings offer more stable occupancy rates and are more attractive to investors resulting in stronger demand and higher prices per square foot requiring a downward adjustment.

*AGE/ CONDITION* – Sale has been updated while, 2 & 3 are younger buildings. All are in superior overall condition requiring an adjustment.

#### RECONCILIATION

All the sales are considered good guides to value. Sale 1 is a multiple tenanted building and is given the least weight. Sale 2 is in far superior condition requiring the largest adjustment. It is given less weight. Sale 3 is a smaller building and is also given less weight. Sales 4 & 5 are considered the most comparable and are given the most weight in the final value conclusion. .

Based on this, the subject was concluded to be fair at \$60.00/square foot. Thus, the value is estimated to be (21,180 sq. ft. x \$60/ sq. ft. = \$1,270,800 or \$1,270,000, rounded.

#### CONTRIBUTORY VALUE OF 61 PECKS LANE

The contributory value of the adjacent 4.39 acre site is estimated on the following page.

## SALES COMPARISON APPROACH 61 PECKS LANE

### LAND VALUATION

The current improvements do not offer any contributory value. Therefore, sales of vacant land are utilized to estimate the value of the underlying site at 61 Pecks Lane.

The value of the site, as if vacant and available for development, was estimated using the sales comparison approach. Comparable sales from within the town of Newtown were sought. Only two were found to be comparable. Therefore, the search was expanded to neighboring towns. Additional sales in a similar industrial park setting of Monroe, CT, the neighboring town to the south were found and are used as additional comparables. A summary of the subject site information followed by information regarding the land sales analyzed is illustrated below.

COMPARABLE LAND SALE 1

**Property Identification**

Address	116 South Main St
City/ State	Newtown, CT 06470
Tax Parcel #	30/14/21

**Sale Data**

Date	2/3/2017
Price	\$ 880,000
Volume & Page	1092/ 1151
Grantor	John Mead & Nicole Buxton
Grantee	Strawberry Fields, LLC
Property Rights	Fee Simple
Conditions of Sale	None
Financing	Conventional
Verification	Broker

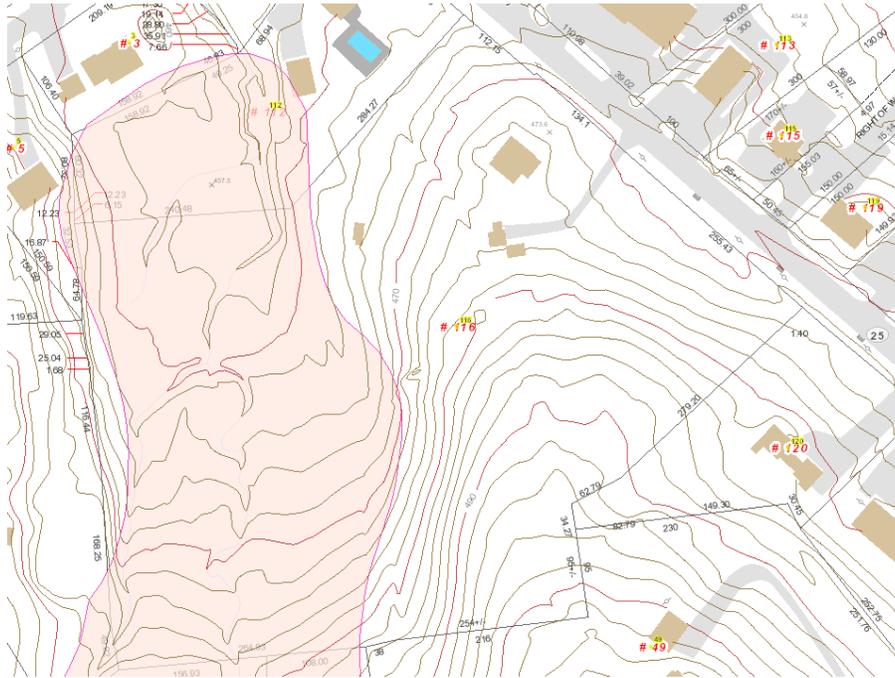
**Physical Elements**

Acreage	6	Effective Acres
Land Area (Square Feet)	261,360	
Utilities	Water	
Zoning	SDD	
Easements	None Known	
Traffic Count	18,400	

**Analysis**

Price Per Acre	\$ 146,667
Price Per Square Foot	\$ 3.37
Expenditures After Sale	\$ 20,000

COMMENTS – This is a recent sale of a commercially zoned parcel on Route 25 in Newtown that was improved with a single family house at the time of sale. Route 25 is a main commercial artery with a high traffic count and this parcel is being developed as a retail store known as a “Tractor Supply” store. It is reported on an effective acreage basis due to significant inland wetlands at the rear of the parcel. In total, it has 8.2 acres.



ASSESSOR'S MAP



PHOTOGRAPH FROM STREET

## COMPARABLE LAND SALE 2

### Property Identification

Address	73 Church Hill Rd
City/ State	Newtown, CT 06470
Tax Parcel #	27/7/1

### Sale Data

Date	6/17/2016
Price	\$ 225,000
Volume & Page	1081/ 1051
Grantor	Edward, Harriet
Grantee	Sunrise Church Hill Rd, LLC
Property Rights	Fee Simple
Conditions of Sale	None
Financing	Conventional
Verification	Public Records

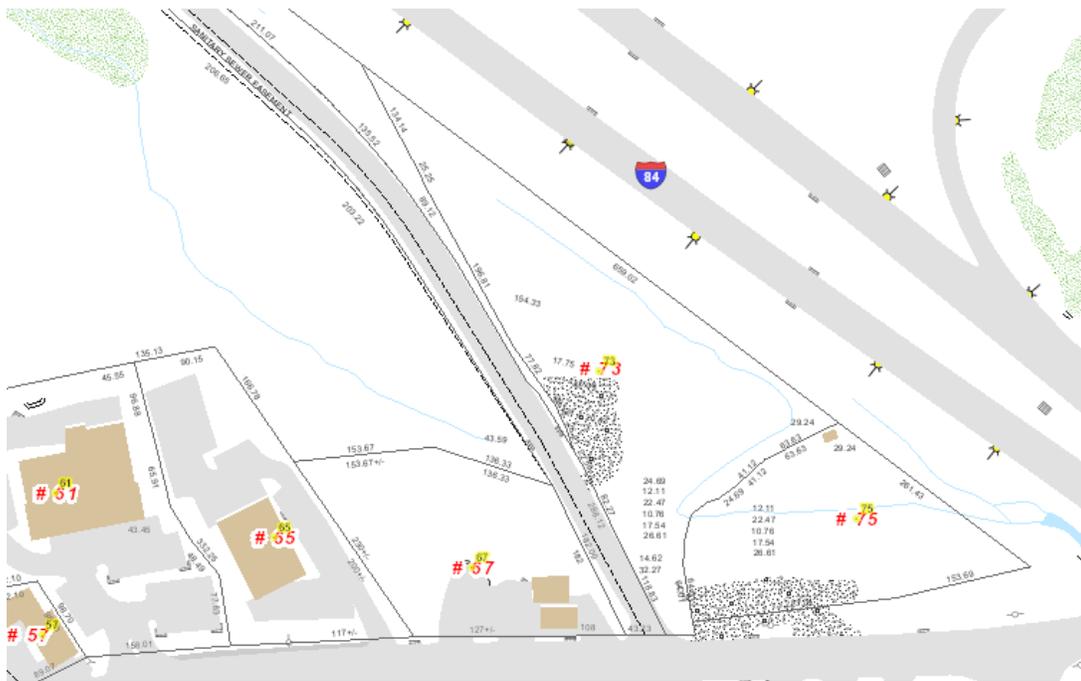
### Physical Elements

Acreage	2.03
Land Area (Square Feet)	88,427
Utilities	Water, Sewer
Zoning	M5
Easements	None Known
Traffic Count	14,700

### Analysis

Price Per Acre	\$ 110,837
Price Per Square Foot	\$ 2.54
Expenditures After Sale	\$ -

COMMENTS – This is a recent sale of a smaller, similarly zoned parcel in Newtown. This property was purchased for use as a parking lot of an adjacent site to be developed with a retail/office building. Some wetlands exist but are not expected to have a significant adverse impact on the site's utility as a parking lot.



ASSESSOR'S MAP



PHOTOGRAPH FROM STREET

### COMPARABLE LAND SALE 3

#### **Property Identification**

Address	16 Timothy Hill Rd
City/ State	Monroe, CT
Tax Parcel #	114/ 7

#### **Sale Data**

Date	12/22/2015
Price	\$ 1,400,000
Volume & Page	1904/ 68
Grantor	Gocłowski, Teresa
Grantee	Metropoulos, Peter, Tr.
Property Rights	Fee Simple
Conditions of Sale	None
Financing	Conventional
Verification	Broker

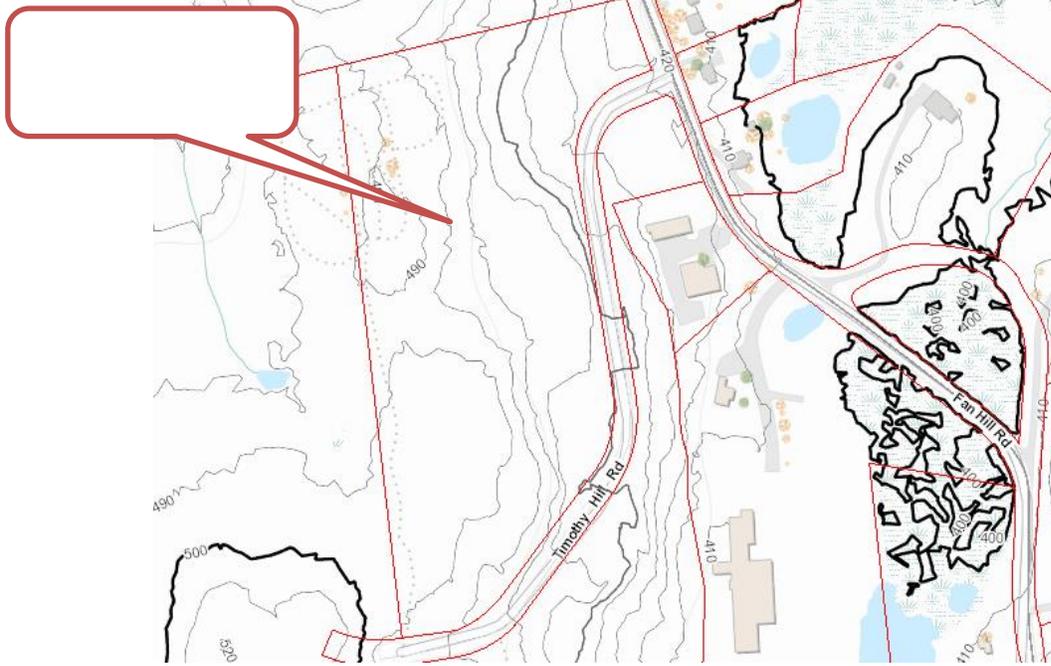
#### **Physical Elements**

Acreage	15
Land Area (Square Feet)	653,400
Utilities	None Known
Zoning	I-2
Easements	None Known
Traffic Count	n/a

#### **Analysis**

Price Per Acre	\$	93,333
Price Per Square Foot	\$	2.14
Expenditures After Sale	\$	-

COMMENTS – This is a larger site that is part of a similar industrial park of neighboring Monroe, CT. It is a more remote, less desirable location with limited access until a road is constructed that will allow better access to Route 25. The site has a gentle upward slope from the road and no significant inland wetlands.



ASSESSOR'S MAP



PHOTOGRAPH FROM STREET

## COMPARABLE LAND SALE 4

### Property Identification

Address	35 Cambridge Dr
City/ State	Monroe, CT
Tax Parcel #	94/15/11

### Sale Data

Date	7/7/2016
Price	\$ 375,999
Volume & Page	1924/ 188
Grantor	New England Materials
Grantee	Kalboys LLC
Property Rights	Fee Simple
Conditions of Sale	None
Financing	Conventional
Verification	Public Records

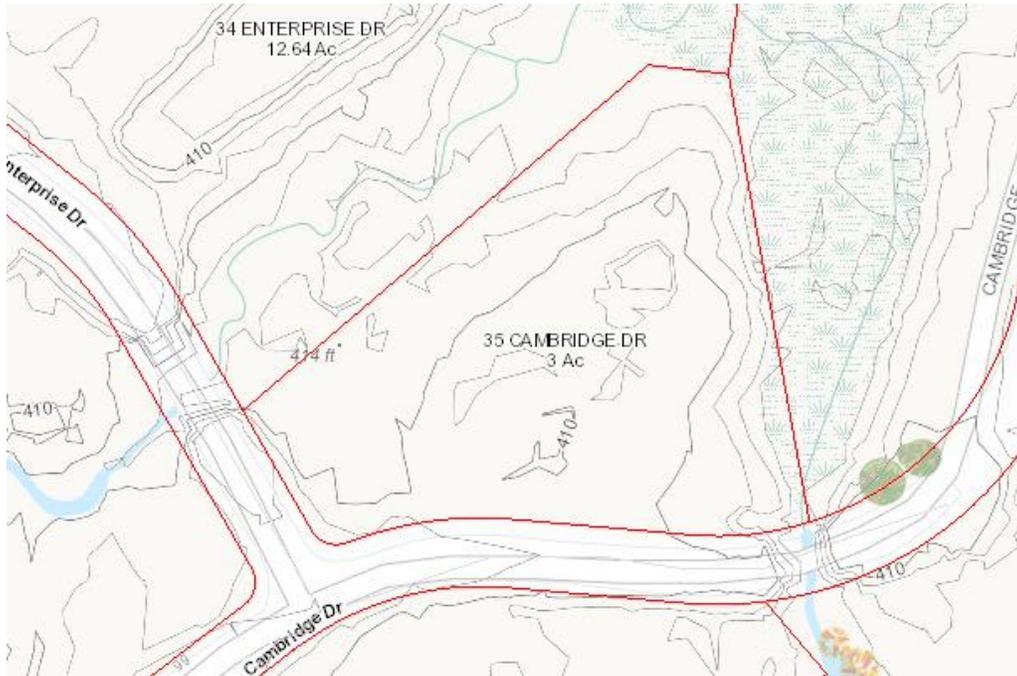
### Physical Elements

Acreage	3
Land Area (Square Feet)	130,680
Utilities	None Known
Zoning	I-2
Easements	None Known
Traffic Count	n/a

### Analysis

Price Per Acre	\$ 125,333
Price Per Square Foot	\$ 2.88
Expenditures After Sale	\$ -

COMMENTS – This is a smaller site in a similar industrial park setting of Monroe, CT. The site is level and has some limited inland wetlands along its property line. It has since been developed with a 17,319-square foot, light industrial building.



ASSESSOR'S MAP



PHOTOGRAPH FROM STREET

O'NEILL, DUFFY & CO., LLC  
75

## COMPARABLE LAND SALE 5

### Property Identification

Address	500 Pepper Street
City/ State	Monroe, CT
Tax Parcel #	94/15/1

### Sale Data

Date	10/7/2015
Price	\$ 525,000
Volume & Page	1896/ 117
Grantor	Alcar Development, LLC
Grantee	Maybrook Properties, LLC
Property Rights	Fee Simple
Conditions of Sale	None
Financing	Conventional
Verification	Broker

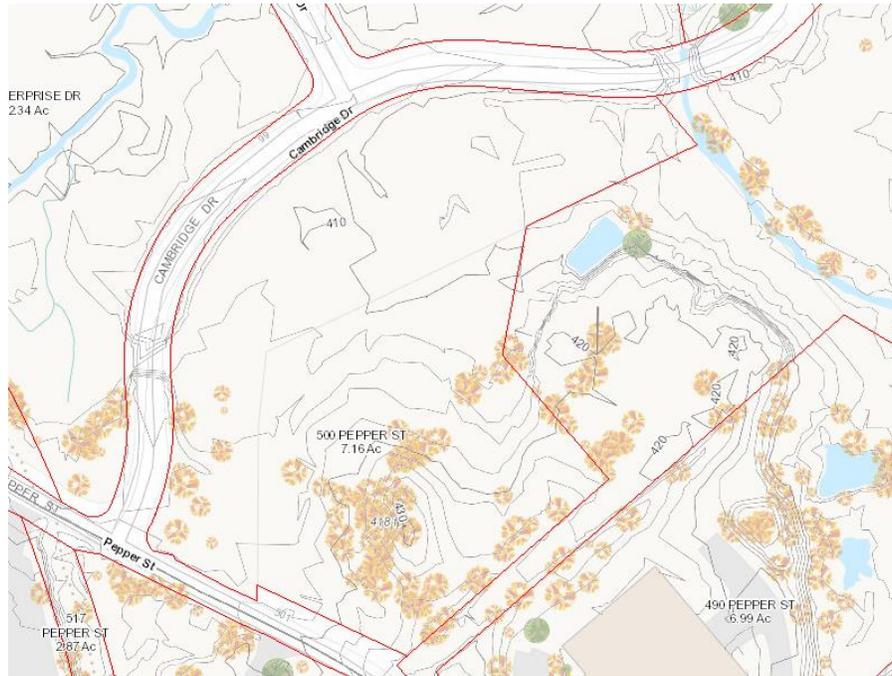
### Physical Elements

Acreage	7.16
Land Area (Square Feet)	311,890
Utilities	None Known
Zoning	I-2
Easements	None Known
Traffic Count	n/a

### Analysis

Price Per Acre	\$ 73,324
Price Per Square Foot	\$ 1.68
Expenditures After Sale	\$ -

COMMENTS – This is a smaller site with a similar effective acreage in a similar industrial park setting of Monroe, CT. The site is level and has some limited inland wetlands. It is currently being developed with a 48,338-square foot warehouse building.

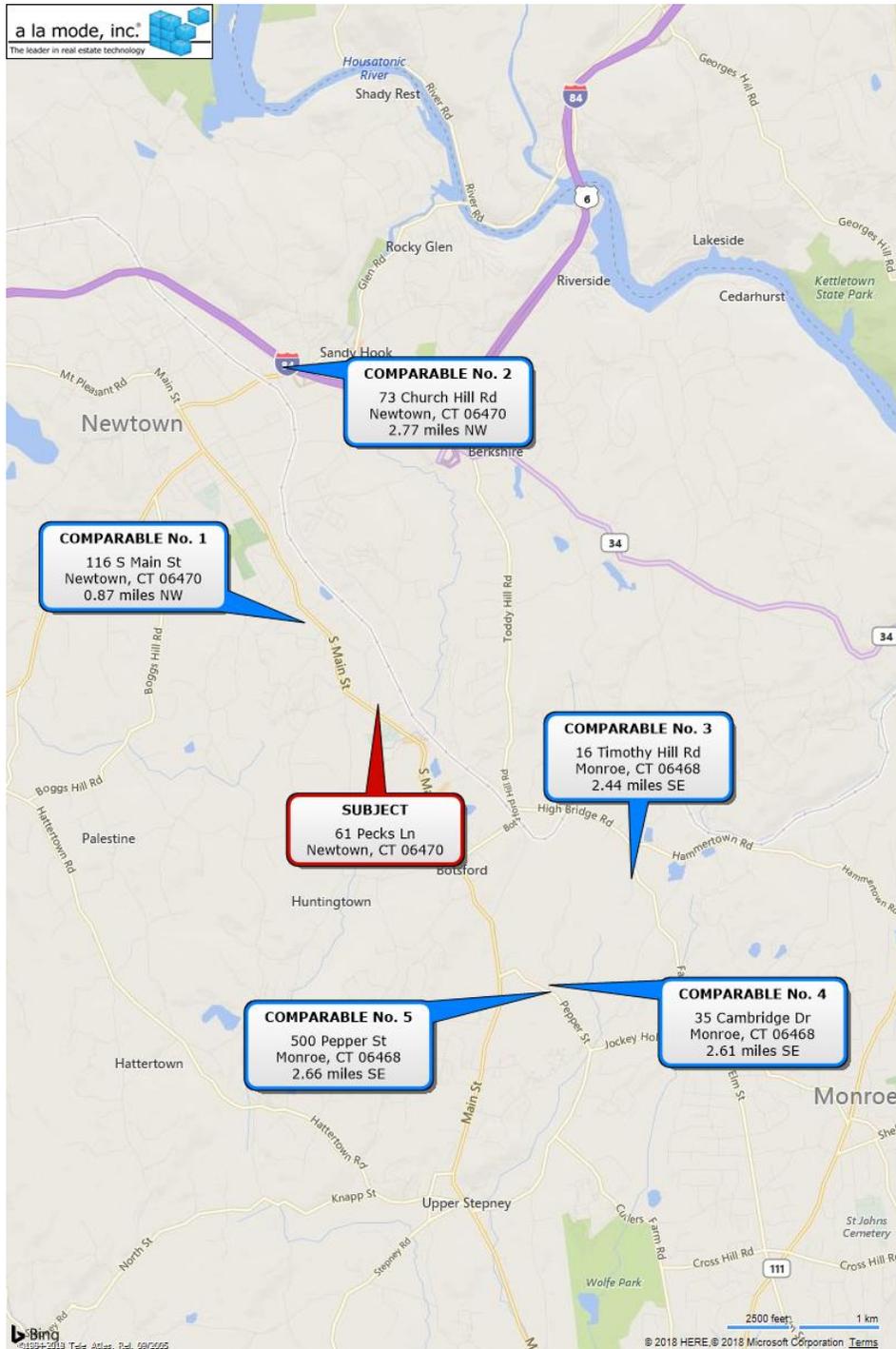


ASSESSOR'S MAP



PHOTOGRAPH FROM STREET

# LOCATION MAP



O'NEILL, DUFFY & CO., LLC

**Land Sales  
Summary of Adjustments**

Item	Subject Property 61 Pecks Lane Newtown, CT	Comparable #1 116 So. Main St. Newtown, CT	Comparable #2 73 Church Hill Rd Newtown, CT	Comparable #3 16 Timothy Hill Rd Monroe, CT
Unadjusted Sales Price:	N/A	\$880,000	\$225,000	\$1,400,000
Unadjusted Sales Price: (\$ Per Acre)		\$146,667	\$110,837	\$93,333
Adjustments:	Description	Description +/- Adj	Description +/- Adj	Description +/- Adj
Property Rights Conveyed		Fee Simple	Fee Simple	Fee Simple
Financing		Conv.	Conv.	Conv.
Conditions of Sale		Cash to Sell	Cash to Sell	Cash to Sell
Expenditures Immediately After Purchase		Blg. To Raz. 2.0%	None	None
Market Conditions		2/3/2017	6/17/2016	12/22/2015
<i>Adjusted Sale Price / Acre</i>		\$149,600	\$110,837	\$93,333
Location	Good	Superior -25.0%	Good	Average 10.0%
Zone	M-1	SDD	M-5	I-2
Size	4.39	6.00	2.03 -5.0%	15.00 5.0%
Frontage / Shape / Access	Good	Good	Good	Good
Topography	Rolling/ Wetlands	Good	Levl/ Wtlds	Upwrđ Slope
Utilities	Water/ Sept.	None	Water/Swr. -5.0%	None
Encum / Appurtenances	None	None	None	None
Present Use	Former House	Single Fam.	Vacant	Vacant
Highest & Best Use	Comm/ Ind.	Comm/ Ind.	Comm/ Ind.	Comm/ Ind.
Other				
<i>Total Adjustment</i>		-25.0%	-10.0%	15.0%
<i>Adjusted Sale Price / Acre</i>		\$112,200	\$99,754	\$107,333

O'NEILL, DUFFY & CO., LLC

<b>Land Sales Summary of Adjustments</b>					
Item	Subject Property 61 Pecks Lane Newtown, CT	Comparable #4 34 Cambridge Dr Monroe, CT		Comparable #5 500 Pepper St. Monroe, CT	
Unadjusted Sales Price:	N/A	\$375,000		\$525,000	
Unadjusted Sales Price: (\$ Per Acre)		\$125,000		\$105,000	
<b>Adjustments:</b>	<b>Description</b>	<b>Description</b>	<b>+/- Adj</b>	<b>Description</b>	<b>+/- Adj</b>
Property Rights Conveyed		Fee Simple		Fee Simple	
Financing		Conv.		Conv.	
Conditions of Sale		Cash to Sell		Cash to Sell	
Expenditures Immediately After Purchase		None		None	
Market Conditions		7/7/2016		10/7/2015	
<i>Adjusted Sale Price / Acre</i>		\$125,000		\$105,000	
Location	Good	Good		Good	
Zone	M-1	SDD		SDD	
Size (Effective Acreage)	4.39	3.00	-5.0%	5.00	
Frontage / Shape / Acces	Good	Good		Good	
Topography	Rolling/ Wetlands	Level		Level	
Utilities	Water/ Septic	None		None	
Encum / Appurtenances	None	None		None	
Present Use	Vacant	Vacant		Vacant	
Highest & Best Use	Comm./ Industrial	Comm./ Ind.		Comm./ Ind.	
Other					
<i>Total Adjustment</i>			-5.0%		0.0%
<i>Adjusted Sale Price / Acre</i>		\$118,750		\$105,000	

O'NEILL, DUFFY & CO., LLC

In the Land Valuation portion of the appraisal the real estate market was investigated for sales of vacant parcels of land comparable to the subject property. The sales used were then analyzed and adjusted for factors such as location, size of building and lot, condition, time of sale, and any other factors influencing the selling price. This analysis yielded indicated values of:

<b>ADJUSTED LAND SALES</b>	
Comparable #1	\$112,200 / Acre
Comparable #2	\$99,754 / Acre
Comparable #3	\$107,333 / Acre
Comparable #4	\$118,750 / Acre
Comparable #5	<u>\$105,000 / Acre</u>
MEAN	\$108,607 / Acre

**ADJUSTMENTS**

**MARKET CONDITIONS** – Market conditions have been stable since the date of the earliest transaction. Therefore, no adjustment is considered warranted.

**LOCATION** – Sale 1 is adjusted for location because it on a heavily traveled, main commercial artery that is more suited to retail development. It is used to represent the upper limit of value. All the other sales are in reasonably similar locations.

**LOT SIZE** - Sales 1 & 4 are considerably smaller sites adjusted for size to recognize the inverse relationship of lot size to price per acre. Sale 3 is adjusted because it is a much larger site.

**UTILITIES** – All the sales, except sale 2, are adjusted to reflect the water

**RECONCILIATION** – After adjustment these sales have a narrow range of value. While sale 1 is a recent sale in Newtown, it is given less weight because of its location

adjustment and development as a retail site. Sale 2 is the closest in proximity but is a much smaller site. Sales 3, 4 & 5 are the most similar in size. While they are in the neighboring town of Monroe, CT, they are the most similar in size and use and are given the most weight.

#### INTERIM VALUE CONCLUSION

Based on this, the subject site was concluded to be fair at \$110,000/acre. Thus, the total site value is estimated to be (4.39 Acres x \$110,000/ acre = \$482,900 or \$485,000.

This figure needs to be adjusted for the costs to remove the existing improvements. This is expected to be about \$30,000.

Therefore, the final value conclusion is estimated as:

\$485,0000 - \$30,000 cost of driveway = \$455,000.

FOUR HUNDRED FIFTY-FIVE THOUSAND DOLLARS  
\$455,000

## RECONCILIATION AND VALUE CONCLUSION

The following appraisal techniques were applied in this analysis and yielded value indications of:

COST APPROACH:	N/A
INCOME APPROACH:	
191 SOUTH MAIN STREET	\$1,240,000
61 PECKS LANE	N/A
SALES COMPARISON APPROACH:	
191 SOUTH MAIN STREET	\$1,270,000
61 PECKS LANE	\$ 455,000

All three approaches have been considered here.

Due to the age of the structures (30+- years) and the amount of total accrued depreciation the cost approach was not applied.

The Income Approach was utilized in the valuation of 191 South Main Street. Recently leased and listed comparable properties were found to develop an estimate of market value. Expenses projected for the first year are based on actual expense experience at the property in the recent past, and market information that indicated an appropriate capitalization rate. Enough market data was available for a supportable value indication to result. The building's more likely buyer is an owner occupant seeking to reposition the building, not an investor seeking an income stream. Therefore, this is considered a less reliable method for establishing the value of the subject.

The Sales Comparison Approach was applied using six other similar properties. Each is considered reasonable comparisons. The number of and amount of adjustments is small enough to result in reliable indications of value. Together, they are believed

to bracket the value of the property. subject's age and condition.

As a vacant building suitable for repositioning, the sales comparison approach is given more weight in the final value conclusion for 191 South Main Street. In addition, it is the only approach developed for the opinion of market value for 61 Pecks Lane.

Based on this analysis, the appraiser has formed the opinion that the market values of the subject property, as of August 6, 2018, in as is condition, are:

191 South Main Street, Newtown, CT	\$1,270,000
61 Pecks Lane, Newtown, CT	\$ 455,000

The improved property sales indicated that exposure time (i.e., the length of time the subject property would have been exposed for sale in the market had it sold at the market value concluded in this analysis as of the date of this valuation) would have been about 9-18 months.

The estimated marketing time (i.e., the amount of time it would probably take to sell the subject property if exposed in the market beginning on the date of this valuation) is estimated to be 9-18 months.

## **ASSUMPTIONS AND LIMITING CONDITIONS**

1. This is a Summary Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice (USPAP) for a Summary Appraisal Report. As such, it might not include full discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this

report.

2. No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report.
3. The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.
4. Responsible ownership and competent management are assumed unless otherwise stated in this report.
5. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
6. All engineering is assumed to be correct. Any surveys, plot plans, and other illustrative material in this report are included only to assist the reader in visualizing the property.
7. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
8. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.
9. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated defined and considered in this appraisal report.
10. It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimated contained in this report

are based.

11. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of the report.
12. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.
13. The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substance such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process. The client is urged to retain an expert in the field if more reliable information is desired.
14. Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. It is assumed that the subject property complies with these requirements, unless otherwise stated in this report. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility. The client is urged to retain an

expert in the field if reliable compliance information is desired.

15. Any proposed improvements are assumed to be completed in a good workmanlike manner in accordance with the submitted plans and specifications.
16. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
17. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualification and only in its entirety.
18. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval of the appraiser.
19. The date of the value to which the opinions expressed in this report apply is set forth in the appraisal report. Any projections included in this appraisal are utilized to assist in the valuation process as of that date of value and are based on current market conditions and expectations, anticipated supply and demand factors, and a continued stable economy. The projections are subject to changes in future conditions that cannot be accurately predicted by the appraiser and could affect future income or value projections. The appraiser assumes no responsibility for economic or physical factors occurring at some later date which may affect the opinions herein stated.
20. The appraiser will not be required to give further consultation, testimony, or appear in court because of having made this appraisal, with reference to the property in question, unless arrangements have been made a reasonable time in advance and agreed to.

## CERTIFICATION OF APPRAISER

I certify that, to the best of my knowledge and belief:

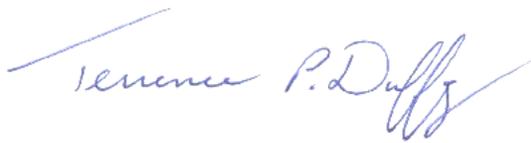
1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice (USPAP).
8. As of the date of this report, I have completed the continuing education program of the Appraisal Institute.

9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. I have made a personal inspection of the property that is the subject of this report.
11. No one provided significant real property professional assistance to the persons signing this report.
12. In compliance with the Ethics Rule of USPAP, I certify that I have not performed any services regarding the subject property within the 3 years preceding acceptance of the assignment, as an appraiser or in any other capacity.

It is my unbiased opinion that the estimated Market Values of the subject property in "as is" condition as of August 6, 2018 are:

191 South Main Street, Newtown, CT	\$1,270,000
61 Pecks Lane, Newtown, CT	\$ 455,000

Report Dated: 8/23/2018



Terrence P. Duffy, MAI, SRA  
Certified General Real Estate Appraiser  
Connecticut #RCG.0000178, Expires 4/30/2019

O'NEILL, DUFFY & CO., LLC

## **ADDENDA**

LEGAL DESCRIPTION



Doc ID: 001399010002 Type: LAM

bk 513 pg 118-119

3112

QUIT-CLAIM DEED

KNOW ALL MEN BY THESE PRESENTS:

a/k/a S.N.S. SERVICE CORP.

THAT: S.N.S. SERVICE CORPORATION, a Connecticut corporation, having a principal place of business at 777 Main Street, Hartford, Connecticut, for consideration paid and in full consideration of EIGHT HUNDRED TWENTY-FIVE THOUSAND and 00/100 DOLLARS (\$825,000.00), grants to 191 Main Street/South, LLC, having a mailing address c/o Fred Baker, Esq., 24 Delay Street, Danbury, Connecticut, with QUIT-CLAIM COVENANTS, a certain piece or parcel of property known as 191 South Main Street, Newtown, Connecticut more particularly described on Schedule A attached hereto and made a part hereof.

IN WITNESS WHEREOF, S.N.S. SERVICE CORPORATION, has caused this deed to be executed under seal this 9th day of June, 1995.

Signed, sealed and delivered in the presence of:

S.N.S. SERVICE CORPORATION,

Joseph A. Vini  
Christina M. Murray  
Christina M. Murray

By: Eric Spungen  
Eric Spungen  
Its: Assistant Vice President

STATE OF CONNECTICUT)

) ss. Hartford

COUNTY OF HARTFORD )

On this 9th day of June, 1995 personally appeared Eric Spungen, Assistant Vice President of S.N.S. SERVICE CORPORATION, a Connecticut corporation, signer and sealer of the foregoing instrument and acknowledged the same to be his free act and deed and the free act and deed of said S.N.S. SERVICE CORPORATION, before me.

Joseph A. Vini  
Notary Public  
Commissioner of the Superior Court



State of Connecticut  
\$ 8,250.00 Conveyance Tax received  
Lynette S. Lurtz  
Town Clerk of Newtown

\$ 907.50 Conveyance Tax received  
Lynette S. Lurtz  
Town Clerk of Newtown

SCHEDULE A 513 119

All that certain piece and parcel of land, together with all the Improvements located thereon, located in the Town of Newtown, County of Fairfield and State of Connecticut; more particularly described as follows:

Commencing at a C&D monument set in the southwesterly corner of the property at the intersection of South Main Street (Route 25) and Ethan Allen Road, set on the easterly side of South Main Street (Route 25) and on the northerly side of Ethan Allen Road, thence North 38° 39' 27" West, 114.942 feet, to another C&D monument; thence North 42° 18' 30" West 284.660 feet to another C&D monument; thence North 43° 35' 26" West 172.562 feet to the northwesterly corner of the property; thence North 67° 21' 30" East 3.872 feet; thence North 85° 24' 15" East 384.891 feet, thence North 84° 09' 07" East 227.274 feet; thence North 28° 42' 55" East 287.578 feet; thence North 20° 44' 42" East 21.013 feet; thence South 68° 50' 42" East 141.936 feet; thence South 65° 12' 47" East, 40.109 feet; thence South 18° 01' 39" East, 96.204 feet; thence South 18° 15' 15" East 126.105 feet; thence South 19° 26' 55" East 149.938 feet to an iron pin set along the northerly side of Ethan Allen Road; thence South 66° 22' 56" West 277.830 feet to another iron pin; thence South 67° 21' 21" West 254.089 feet thence South 65° 22' 59" West 199.137 feet to the point of beginning.

Being the same property shown on a certain site plan entitled "Plot Plan, South Main Street (Conn. Route 25) Newtown, Connecticut, prepared for SCM Corporation", area: 7.309 Ac. = 317,092 sq. ft., Zone: M-2 - Industrial, Scale 1" = 40', dated January 1, 1980, prepared by Kasper-Ryan Associates, Engineers, Surveyors and Planners, Bethel, Connecticut.

Being the same property conveyed by Lewis J. Finch to SCM Corporation by deed dated July 28, 1980, recorded in Volume 292, Page 120 of the Newtown Land Records.

Together with the right and privilege to construct, maintain, replace and renew a storm Drainage system on a portion of the property owned by the Grantor on Connecticut State Highway Route 25 in the Town of Newtown, County of Fairfield and State of Connecticut, which easement is more particularly bounded and described as follows:

Beginning at the endwall of the 18" culvert located on the westerly side of Route 25 in Newtown (which culvert is connected to the existing State of Connecticut catch basin located 300 feet north of Ethan Allen Road on the easterly side of Route 25); a line running southeastward along Route 25 right-of-way 10 feet more or less to a point; thence on a line running south 23 degrees 46 minutes 43 seconds west 180 feet to a point; from said line on the centerline of a drainage course and the channel of the existing drainage swale a width of 25 feet southeasterly for a distance of approximately 750 feet to the Postatuck River; thence from the last aforementioned point north 34 degrees 29 minutes 04 seconds west 25.82 feet to a point; thence on a line running north 23 degrees 46 minutes 43 seconds east 157 feet more or less to a point; thence on a line running southeastward along Route 25 right-of-way 7.45 feet more or less to the culvert and point of beginning.

Said easement is more particularly set forth on a certain map entitled "Drainage Easement, South Main Street (Conn. Route 25) Newtown, Connecticut prepared for SCM Corporation", Scale 1" = 40' prepared by Kasper-Ryan Associates, Engineers, Surveyors, Planners, Bethel, Conn., Project No. 1322, dated April 7, 1981.

Said Easement was granted the SCM Corporation by the Bridgeport Roman Catholic Diocesan Corporation in an instrument recorded in Volume 295, Page 570 of the Newtown Land Records.

2:32 PM  
Rec'd. for Record 6-9-1998  
Town Clerk of Newtown  
Cynthia L. Curtis

QUITCLAIM DEED

KNOW ALL PEOPLE BY THESE PRESENTS, THAT:

ETHAN ALLEN INC., a New York corporation with an office at Ethan Allen Drive, Danbury, Connecticut 06813 (the "Releasor") for the consideration of One Dollar (\$1.00) and other valuable consideration received to its full satisfaction of PECK & MAIN LLC, a limited liability company organized under the laws of the State of Connecticut, with an address c/o Baker, Noots & Pellegrini, PC, 34 Delay Street, Danbury, Connecticut 06810, (the "Releasee") does remise, release and forever QUIT CLAIM unto the said Releasee and unto its successors and assigns all the right, title, interest, claim and demand which the said Releasor has or ought to have in and to all those certain pieces or parcels of real property known as 61 Pecks Lane located in the Town of Newtown, in the County of Fairfield and State of Connecticut, and being more particularly described on Schedule A attached hereto and made a part hereof.

TO HAVE AND TO HOLD the above remise, released and QUIT CLAIMED premises with the appurtenances thereof, unto the said Releasee, and its successors and assigns forever, to its and their proper use and behoof so that neither the Releasor nor Releasor's heirs, successors or assigns nor any other person claiming under or through the Releasor or them shall hereafter have any claim, right or title in or to the premises or any part thereof, but therefrom the Releasor and they are by these presents forever barred and excluded.

IN WITNESS WHEREOF, said ETHAN ALLEN INC. has caused this QUITCLAIM Deed to be duly executed this 13<sup>th</sup> day of September, 1996.

Signed, sealed and delivered in the presence of:

ETHAN ALLEN INC.

*[Handwritten signature]*  
*[Handwritten signature]*

*[Handwritten signature]*  
By *[Handwritten signature]*  
Its Agent

STATE OF CONNECTICUT )  
                                  ) ss. Danbury  
COUNTY OF FAIRFIELD )

On this 13<sup>th</sup> day of September, 1996, before me, the undersigned officer, personally appeared Mr. PABLO PATINO, A.C.I. of ETHAN ALLEN INC., a corporation, signer and sealer of the foregoing instrument and acknowledged the same to be his/her free act and deed as such officer and the free act and deed of said corporation.

In witness whereof I hereunto set my hand.

176.00 Conveyance Tax received  
*[Signature]*  
Town Clerk of Newtown

*[Signature]*  
Notary Public  
My Commission Expires: 2/3/98

P13220123021204

State of Connecticut  
5.00.00 Conveyance Tax received  
*[Signature]*  
Town Clerk of Newtown



## Schedule A 541 458

FIRST PARCEL:

All that certain piece or parcel of land together with any improvements thereon, located in South Center District in the Town of Newtown, Fairfield County, Connecticut, as shown on a certain map entitled, "A Portion of the Property of Steve Ugolik to be conveyed to Edward W. Ugolik together with the right to pass and repass over 50 ft. right of way as shown above, South Center District, Newtown, Connecticut, Scale 1"=100" Certified Substantially Correct, Joseph L. Bennett, N. L. S., dated August 11, 1953, and being more particularly bounded and described as follows:

Beginning at a point located at the northwesterly corner of property herein described which point is  $386^{\circ} 33' E$  in a straight line 441.35 ft. from a second point located on the easterly highway line of Peck's Lane Road, as shown on the map. [The second point is located 125' southerly along the easterly highway line of Peck's Lane Road from property of Scott thence from the point of beginning  $573^{\circ} 58' 40" E$  140.04 ft. along the southerly boundary line of remaining property of Steve Ugolik, to a stake in a wall; thence  $229^{\circ} 50' W$  211.33 ft. and  $285^{\circ} 02' 40" W$  188.83 ft. along the northwesterly and northerly boundary lines of property of Lutford, as shown on the map; thence  $N 11^{\circ} 33' 30" E$  175.32 ft.; along the easterly boundary line of remaining property of Steve Ugolik, to the point or place of beginning. Containing 1.15 acres more or less.

Together with a right of way fifty (50) feet in width for ingress and egress by vehicle or otherwise and for all purposes over that strip of land fifty (50) feet in width extending east from Peck's Lane Road to the above-described property as shown on the map. The center line of the fifty (50) foot right of way runs from a point on the easterly highway line of Peck's Lane Road  $386^{\circ} 33' E$  441.35 feet to the northwesterly corner of the above-described property as shown on the map.

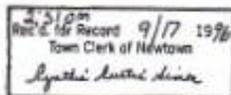
SECOND PARCEL:

All that certain piece or parcel of land, together with any improvements thereon, situated in the Town of Newtown, Fairfield County, Connecticut, shown on a certain map entitled, "A portion of the property of Steve Ugolik, et al. to be conveyed to Edward W. Ugolik, et al. South Center District, Town of Newtown, Conn., Scale 1"=100", area including right of way 3.24 acres, more or less," certified substantially correct by J. L. Bennett, May 13, 1962, and being further bounded and described as follows:

NORTHERLY: By property of Edward Ugolik et al. 444.44 feet as shown on the map;  
 EASTERLY: By property of Edward Ugolik et al., and property of Edward W. Ugolik, each in part, for a distance of 300.71 feet, as shown on the map;  
 SOUTHERLY: By property now or formerly of Lutford, 398.03 feet, as shown on the map;  
 SOUTHWESTERLY: By Connecticut Route No. 15, 62.14 feet, as shown on the map; and  
 WESTERLY: By a town road known as Peck's Lane Road, 305.98 feet, as shown on the map.  
 Containing 3.24 acres, more or less.

Both parcels are conveyed subject to:

1. All provisions of any ordinance, municipal regulation or public or private law, including inland wetland regulations.
2. Notes, liens and easements etc. as appear on Maps G. 1071, 1051, 1701 and 6138.
3. Real estate taxes to the Town of Newtown: the second half of the Grand List of October 1, 1995, which taxes the Releasee assumes and agrees to pay as part of the consideration for this deed.



## ZONING REGULATIONS

### **ARTICLE V – INDUSTRIAL ZONES**

#### **SECTION 1 – ALL INDUSTRIAL ZONES (M-1, M-2A, M-3, M-4, M-5)**

##### **5.01.100 Purpose and Intent – All Industrial Zones**

The purpose of the Industrial Zones is to permit light industrial and limited commercial uses such as manufacturing and assembly of products, research and development, storage of certain products and equipment, distribution facilities and corporate functions. The uses should provide an important contribution to the Town's economic base providing local tax benefits and employment while at the same time contribute to the diversity of land uses and opportunity. Generally these types of uses are dependent upon the proximity of a wide range of transportation infrastructure that will facilitate delivery of materials and products and provide access to the labor force. The industrial zones are located in close proximity or directly accessible to Interstate interchanges, State highways and the railroad lines to provide access. Newtown is divided into five industrial zones that permit a single or multiple use upon a lot. Uses vary in degree to be consistent with available infrastructure, neighboring land uses and environmental conditions in the area in which they are located.

The intent of the Industrial Zones is to promote sustainable economic development consistent with protection of public health, safety and general welfare of the community. The Industrial Zones are intended to be separate from residential and commercial neighborhoods although larger commercial development and accessory uses, such as a shopping center, are permitted in the Industrial Zones to provide residents with convenient access to the services generally offered in these projects. The land uses outlined below are intended to contribute to diversity in the local economic base, provide employment and contribute to the quality of life and overall character of the Town of Newtown.

## **ARTICLE V – INDUSTRIAL ZONES**

### **SECTION 2 - INDUSTRIAL ZONE M-1**

#### **5.02.100 Purpose and Intent**

The purpose and intent of the Industrial Zone M-1 is to encourage low to moderate density industrial and commercial development to reinforce and diversify Newtown's economic base. The land use mix is intended to include facilities for light industrial operations, multi-tenant office buildings, wholesale distribution, bulk storage, laboratory space and research and development.

#### **5.02.200 Permitted Uses**

The following principal uses are permitted in Industrial Zone M-1 subject to conditions provided herein and subject to obtaining Site Development Plan approval, if required, in accordance with Article X hereof. Uses that are not listed as permitted shall not be permitted by variance.

More than one principal use may be permitted within the same structure or building.

**5.02.210** Laboratory devoted to research, design, and experimentation.

**5.02.220** Office building or office buildings.

**5.02.230** Light industrial use including manufacturing, fabricating, processing, converting, altering, packaging, bottling or assembling of products, the operations of which are conducted solely within an enclosed building or group of buildings.

**5.02.240** Operation of a public utility authorized to furnish service to residents of the Town or to the region, including among such operations, a utility service center at which may be conducted general office use, customer services, maintenance of utility service operations, vehicle maintenance, and accessory uses, outdoor storage of materials for utility service and outdoor parking of service vehicles.

**5.02.250** Public works garage and public storage areas operated by the Town.

**5.02.260** Printing and/or publishing establishment.

**5.02.270** Wholesale business.

**5.02.275** Retail use and businesses limited to 25% of the gross floor area of a multi-tenant building

**5.02.280** Storage in bulk of, and warehouses for, such materials as building materials, clothing, cotton, drugs, dry goods, feed, food, furniture, hardware, ice machinery, paint and paint supplies, pipe, rubber, shop supplies, tobacco, or wood. If storage is to be provided outdoors, a planted or natural buffer shall be provided between the items stored and the lot lines.

**5.02.290** Veterinary Hospital.

#### **5.02.300 Special Exception Uses**

**V-2-1**

The following principal uses are permitted in Industrial Zone M-1 subject to obtaining a Special Exception in accordance with criteria, standards and conditions set forth in Article XI, Special Exceptions.

**5.02.310** Hotel and/or motel.

**5.02.320** Recycling center or transfer station operated by or on behalf of the Town.

**5.02.330** Shopping center per the requirements of Section 4.03.319.

**5.02.340** Private School permitted prior to December 31, 2000.

**5.02.350** Garages to shelter commercial vehicles and construction equipment used off the lot. All vehicles and equipment stored on said lot shall be stored wholly within said garage. Maintenance on vehicles, if any, shall be conducted wholly within said garage and only on those vehicles stored therein on a permanent basis.

**5.02.360** Buildings containing seven (7) or more tenants.

**5.02.370** Indoor and/or outdoor commercial tennis, paddle tennis/platform tennis, racquet ball, hand ball, squash, soccer and/or swimming facility and/or other similar recreational and sports activities (Amended effective December 2011).

**5.02.380** Commercial golf course.

**5.02.390** Indoor ice skating facility.

**5.02.391** Brew Pubs and Distilleries (added effective 10/12/17).

**5.02.400 Accessory Uses**

Article V, Section 7 regarding Accessory Uses in Industrial Zones shall apply.

**5.02.500 Site and Building Standards in Industrial Zones**

Article V, Section 8 regarding Site and Building Design Standards in Industrial Zones shall apply.

**5.02.600 Area, Height and Yard Requirements**

Article VII, Area, Height and Yard Requirements and all other applicable sections of these regulations apply.

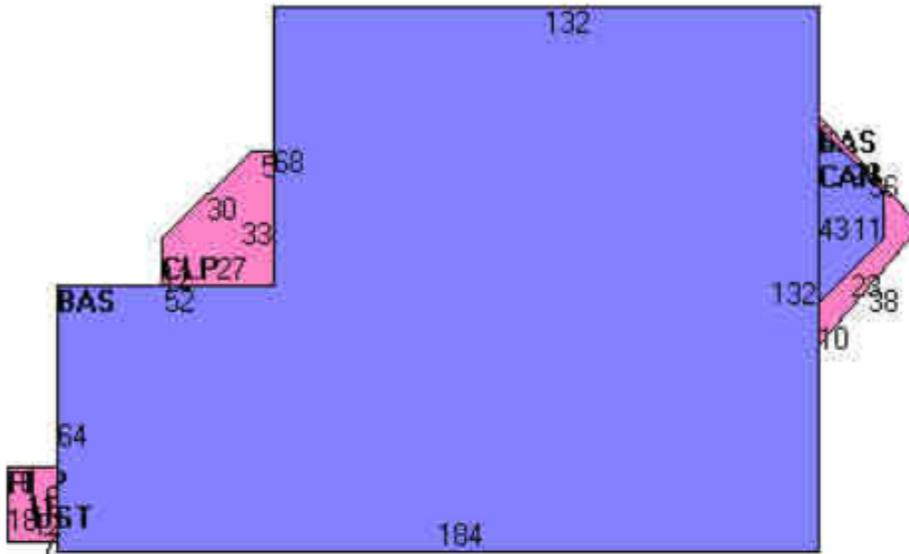
**5.02.700 Supplemental Regulations**

Article VIII, Supplemental Regulations including, but not limited to, signs, access management, parking, landscaping, lighting and all other applicable sections of these regulations apply.



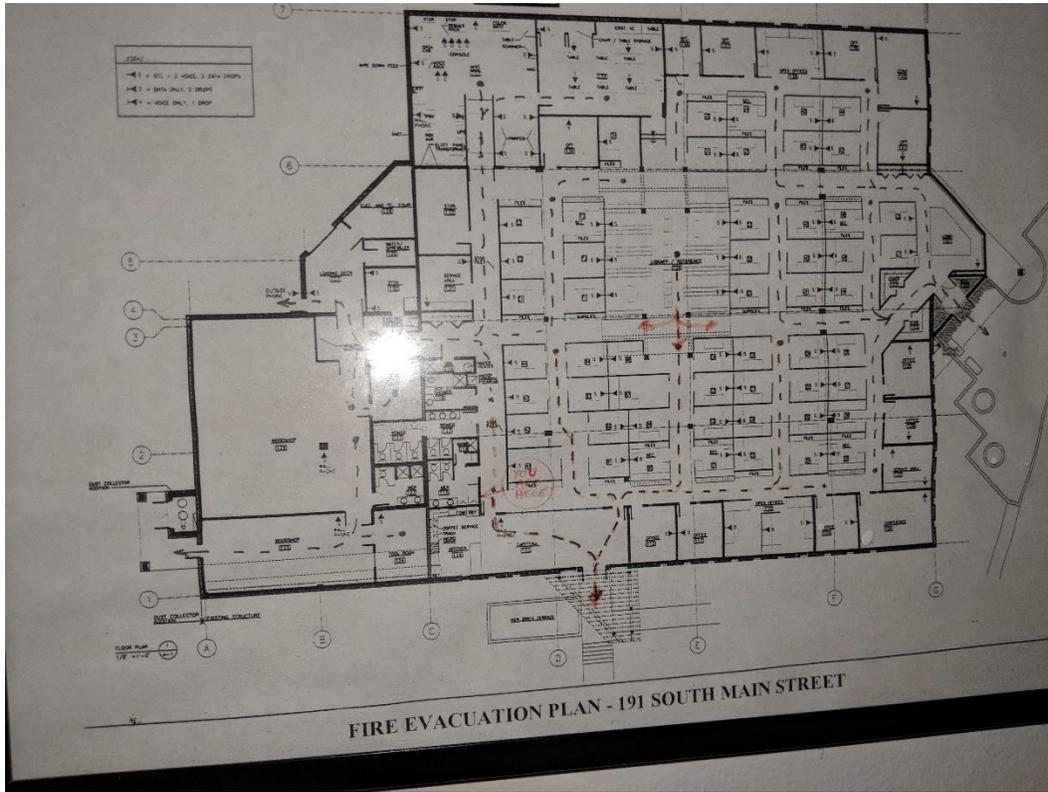
BUILDING SKETCH FROM ASSESSOR CARD - 191 SOUTH MAIN STREET

**Building Layout**



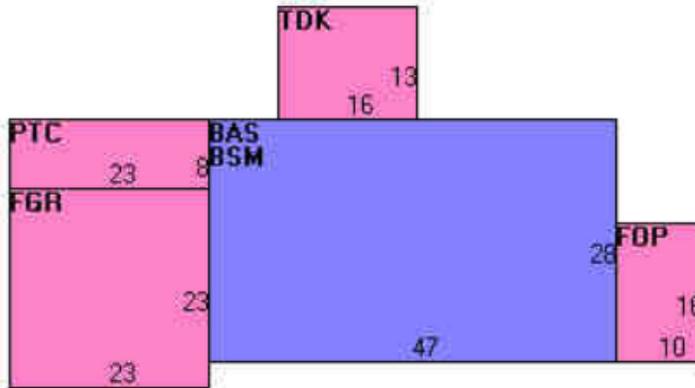
Building Sub-Areas (sq ft)			Legend
Code	Description	Gross Area	Living Area
BAS	First Floor	21,184	21,184
CAN	Canopy	256	0
CLP	Loading Platform	660	0
FOP	Open Porch	150	0
UST	Unfinished Utility Area	66	0
		22,316	21,184

FLOOR PLAN/ FIRE EVACUATION PLAN - 191 SOUTH MAIN STREET



BUILDING SKETCH FROM ASSESSOR CARD – 61 pECKS IANE

**Building Layout**



Building Sub-Areas (sq ft)			Legend
Code	Description	Gross Area	Living Area
BAS	First Floor	1,316	1,316
BSM	Basement	1,316	0
FGR	Garage	529	0
FOP	Open Porch	160	0
PTC	Patio - Concrete	184	0
TDK	Composite Deck	208	0
		3,713	1,316

**Current Labor Force Data for Labor Market Area (LMA) - State of Connecticut** Last Updated: August 17, 2018

[LAUS Home](#) | [Current State](#) | [Current LMA](#) | [Current Town](#) | [LAUS PDF](#) | [Historical County](#) | [Historical LMA](#) | [Historical Town](#) | [Historical WIA](#)

**July 2018 - Current Monthly Data**

Not Seasonally Adjusted	Labor Force	Employed	Unemployed	Unemployment Rate
<b>STATE OF CONNECTICUT</b>	<b>1,944,100</b>	<b>1,857,500</b>	<b>86,600</b>	<b>4.5%</b>
Bridgeport-Stamford	478,944	457,895	21,049	4.4%
Danbury	110,606	106,485	4,121	3.7%
Enfield	51,137	48,980	2,157	4.2%
Hartford	634,036	605,433	28,603	4.5%
New Haven	331,944	317,080	14,864	4.5%
* Norwich-New London-Westerly CT	131,602	126,016	5,586	4.2%
Torrington-Northwest	48,226	46,295	1,931	4.0%
Waterbury	112,688	106,414	6,274	5.6%
Danielson-Northeast	44,954	42,935	2,019	4.5%
<small>* Connecticut portion only. For whole Area, including Rhode Island towns, see below.</small>				
Norwich-New London-Westerly RI	148,029	141,819	6,210	4.2%
Westerly, RI	16,427	15,803	624	3.8%
<b>UNITED STATES</b>	<b>163,734,000</b>	<b>157,004,000</b>	<b>6,730,000</b>	<b>4.1%</b>

The Local Area Unemployment Statistics (LAUS) program produces monthly employment, unemployment, and labor force data for Census regions and divisions, States, counties, metropolitan areas, and many cities, by place of residence. The LAUS program is a federal-state cooperative endeavor in which states develop state and sub-state data using concepts, definitions, and technical procedures prescribed by the Bureau of Labor Statistics (BLS). A major source of labor force data estimates, the Current Population Survey (CPS) includes a sample of over 1,600 Connecticut households each month regarding the labor force status of their occupants.

Labor force measures are based on the civilian noninstitutional population 16 years old and over. People with jobs are counted as employed. People who are jobless, looking for jobs, and available for work are regarded as unemployed, and people who are neither employed nor unemployed are considered not in the labor force. The unemployment rate represents the percentage of the labor force that is unemployed. Annual average data is published after benchmark revisions are made.

# Newtown, Connecticut

CERC Town Profile 2018 *Produced by The CT Data Collaborative*

**Municipal Center**  
3 Primrose St  
Newtown, CT 06470  
(203) 270-4210

*Belongs To*  
Fairfield County  
LMA Danbury  
Western Planning Area



Incorporated in 1711

## Demographics

Population				Race/Ethnicity (2012-2016)										
	Town	County	State		Town	County	State							
2000	25,031	882,567	3,405,565	White Alone, Non-Hispanic	24,923	598,017	2,464,450							
2010	27,560	916,829	3,574,097	Black Alone	355	107,282	372,696							
2012-2016	27,990	941,618	3,588,570	Asian	651	47,742	152,782							
2020	27,788	944,692	3,604,591	Native American	41	2,441	9,399							
'16 - '20 Growth / Yr	-0.2%	0.1%	0.1%	Other/Multi-Race	954	89,139	284,582							
				Hispanic or Latino	1,745	175,480	537,728							
	Town	County	State	Poverty Rate (2012-2016)										
Land Area (sq. miles)	58	625	4,842		Town	County	State							
Pop./Sq. Mile (2012-2016)	485	1,507	741		4.5%	8.8%	10.4%							
Median Age (2012-2016)	45	40	41	Educational Attainment (2012-2016)										
Households (2012-2016)	9,796	335,209	1,354,713		Town	County	State							
Med. HH Inc. (2012-2016)	\$110,036	\$86,670	\$71,755	High School Graduate	3,541	19%	673,220	27%						
	Town	State		Associates Degree	1,245	7%	184,426	7%						
Veterans (2012-2016)	1,385	188,759		Bachelors or Higher	10,459	55%	938,319	38%						
Age Distribution (2012-2016)														
	0-4	5-14	15-24	25-44	45-64	65+	Total							
Town	1,086	4%	4,237	15%	3,761	13%	5,151	18%	9,395	34%	4,360	16%	27,990	100%
County	53,839	6%	127,239	14%	124,148	13%	231,225	25%	269,733	29%	135,434	14%	941,618	100%
State	188,812	5%	439,100	12%	494,529	14%	878,077	24%	1,033,029	29%	555,023	15%	3,588,570	100%

## Economics

Business Profile (2016)			Top Five Grand List (2017)	
Sector	Units	Employment		Amount
Total - All Industries	863	8,695	Eversource	\$37,946,360
23 - Construction	77	373	E&A / I&G Sandhill Plaza Ltd Partnership	\$15,732,280
31-33 - Manufacturing	25	516	Iroquois Gas Transmission System (CT FO)	\$14,544,620
44-45 - Retail Trade	64	803	Newtown Shopping Village Ltd	\$10,397,800
51 - Information	19	830	Newtown ALF Property LLC	\$7,862,280
62 - Health Care and Social Assistance	75	1,032	Net Grand List (SFY 2015-2016)	\$3,075,391,014
Total Government	23	1,565	Major Employers (2017)	
			Town of Newtown - Board of Education	
			Spectrum	Masonicare of Newtown
			Big Y Supermarkets	Town of Newtown

## Education

2017-2018 School Year				Smarter Balanced Test Percent Above Goal (2016-2017)							
	Grades	Enrollment		Grade 3		Grade 4		Grade 8			
				Town	State	Town	State	Town	State		
Newtown School District	PK-12	4,407		Math	74.5%	53.1%	67.7%	50.0%	66.9%	41.8%	
				ELA	75.4%	51.8%	70.0%	54.1%	65.1%	53.7%	
Pre-K Enrollment (PSIS)				Rate of Chronic Absenteeism (2016-2017)							
										All	
Newtown School District		2016-2017								9.9%	
		60								Newtown School District	4.0%
4-Year Cohort Graduation Rate (2016-2017)				Public vs Private Enrollment (2012-2016)							
	All	Female	Male								
Connecticut	87.9%	90.9%	85.1%								
Newtown School District	94.6%	97.0%	92.6%								
				Town			County			State	
				Public	87.9%		81.8%		86.8%		
				Private	12.1%		18.2%		13.2%		

# Newtown, Connecticut

CERC Town Profile 2018



Connecticut  
Economic  
Resource Center

<b>Government</b>			
Government Form: Selectman - Town Meeting			
Total Revenue (2016)	\$120,198,122	Total Expenditures (2016)	\$118,916,507
Tax Revenue	\$101,236,267	Education	\$79,390,666
Non-tax Revenue	\$18,961,855	Other	\$39,525,841
Intergovernmental	\$16,346,850	Total Indebtedness (2016)	\$69,075,038
Per Capita Tax (2016)	\$3,618	As % of Expenditures	58.1%
As % of State Average	126.0%	Per Capita	\$2,479
		As % of State Average	99.9%
		Annual Debt Service (2016)	\$10,337,495
		As % of Expenditures	8.7%
		Eq. Net Grand List (2016)	\$4,558,435,297
		Per Capita	\$163,590
		As % of State Average	108.1%
		Moody's Bond Rating (2016)	Aa1
		Actual Mill Rate (2016)	33.07
		Equalized Mill Rate (2016)	22.12
		% of Net Grand List Com/Ind (2016)	8.0%
<b>Housing/Real Estate</b>			
<i>Housing Stock (2012-2016)</i>			
	<b>Town</b>	<b>County</b>	<b>State</b>
Total Units	10,260	364,737	1,493,798
% Single Unit (2012-2016)	88.3%	57.9%	59.1%
New Permits Auth (2017)	50	1,719	4,547
As % Existing Units	0.5%	0.5%	0.3%
Demolitions (2017)	4	538	1,403
Home Sales (2013)	341	7,243	26,310
Median Price	\$402,200	\$413,400	\$269,300
Built Pre-1950 share	16.3%	29.3%	29.7%
Owner Occupied Dwellings	8,406	226,707	900,223
As % Total Dwellings	85.8%	67.6%	66.5%
Subsidized Housing (2017)	233	34,307	168,576
<i>Distribution of House Sales (2013)</i>			
	<b>Town</b>	<b>County</b>	<b>State</b>
Less than \$100,000	13	439	3,417
\$100,000-\$199,999	29	890	7,522
\$200,000-\$299,999	71	1,117	6,031
\$300,000-\$399,999	82	980	3,380
\$400,000 or More	146	3,817	5,960
<i>Rental (2012-2016)</i>			
	<b>Town</b>	<b>County</b>	<b>State</b>
Median Rent	\$1,366	\$1,385	\$1,094
Cost-burdened Renters	56.6%	54.0%	52.5%
<b>Labor Force</b>			
	<b>Town</b>	<b>County</b>	<b>State</b>
Residents Employed	13,728	459,238	1,795,519
Residents Unemployed	612	23,180	96,273
Unemployment Rate	4.3%	4.8%	5.1%
Self-Employed Rate	13.4%	13.0%	9.9%
Total Employers	863	35,142	117,337
Total Employed	8,695	423,648	1,666,580
<i>Connecticut Commuters (2015)</i>			
<b>Commuters Into Town From:</b>		<b>Town Residents Commuting To:</b>	
Newtown, CT	1,830	Newtown, CT	1,830
Danbury, CT	816	Danbury, CT	1,711
Southbury, CT	378	Stamford, CT	641
New Milford, CT	343	Norwalk, CT	526
Waterbury, CT	312	Bethel, CT	422
Bethel, CT	278	Bridgeport, CT	416
Bridgeport, CT	258	Fairfield, CT	383
<b>Quality of Life</b>			
<i>Crime Rates (per 100,000 residents) (2016)</i>		<i>Distance to Major Cities</i>	
	<b>Town</b>	<b>State</b>	<b>Miles</b>
Property	315	1,780	Hartford
Violent	15	224	New York City
			Providence
<i>Disengaged Youth (2012-2016)</i>			Boston
	<b>Town</b>	<b>State</b>	Montreal
Female	0.0%	4.5%	
Male	0.0%	5.5%	
	<b>Town</b>		
Library circulation per capita	7.35		
<i>Residential Utilities</i>			
<b>Electric Provider</b>			
Eversource Energy (800) 286-2000			
<b>Gas Provider</b>			
Eversource Energy (800) 989-0900			
<b>Water Provider</b>			
Municipal Provider Local Contact			
<b>Cable Provider</b>			
Charter Communications of Western CT (800) 827-8288			